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NEAR EAST/SOUTH ASIA REPORT

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REGIONAL AFFAIRS

MAGHREB STATES' REACTION TO HASSAN'S PROPOSAL

London AL-MUSTAQBAL in Arabic 5 Jul 86 p 25

[Article by Muhammad al-Ashhab: "Upheaval in the Alliances of the Arab Maghreb? Winds of Agreement Blow Over the Arab Maghreb States, Centering on Rabat and Algiers: Will They Have an Impact on Existing Alliances So as To Rearrange the Political Map?"]

[Text] Rabat--Before the Moroccan ruler, King Hassan II, left for a working visit to Washington on 21 June, he preferred to announce a bold step that may have repercussions at the level of strategic alliances in the Arab Maghreb region. In a speech addressed to the Moroccan Chamber of Deputies, a tradition usually devoted to discussing general issues, he announced a proposal to form an advisory council to include Morocco, Tunisia, and Algeria. While this subject crystallized through the ongoing political dialogue between the four parties of the Arab Maghreb, signatories of what is known as the Tangier Charter of 1958, at their recent meeting a few weeks ago in Algiers, the importance of the proposal lies in Hassan II's personally undertaking to call for its implementation. This leads one to believe that preparation is under way through these channels for an important dialogue about various heated issues of interest to the Arab Maghreb region, especially the issue of Western Sahara. Information available to AL-MUSTAQBAL indicates that a series of secret contacts have taken place in recent weeks between Moroccan and Algerian officials, aimed at preparing for a bilateral summit to bring together King Hassan II and President Chedli Bendjedid of Algeria, and that certain Arab and non-Arab parties have offered suggestions to reconcile the points of view of the two countries on the sahara conflict and on still unresolved border issues.

While the Moroccan parties hastened to welcome the proposal and to announce their readiness to back and support it by all available means, Algeria and Tunisia remained silent until the beginning of last week. In the case of Tunisia, it appears that the matter is related to anticipation of the legislative elections coming in November. As for Algeria, the National Liberation Front had already expressed its enthusiasm for this approach at the last meeting of the Maghrebi signatories of the Tangier Agreement.

As for the Libyan Jamahiriyah, which is linked to Morocco by the Unity Agreement, Mr Abdelwahad al-Radi, general secretary of the Arab-African Union, went to Tripoli on the same day the proposal in question was announced. This

was the Moroccan emissary's first assignment within the framework of the Arab-African Union, which means that King Hassan II's letter to Colonel Mu'ammar al-Qadhdhafi was aimed at explaining the goals of this proposal. Moreover, Moroccan television carried a direct picture of Colonel al-Qadhdhafi's meeting with the Moroccan emissary, to demonstrate the commitment of both countries to Moroccan-Libyan unity.

Arab diplomatic sources in Rabat had informed AL-MUSTAQBAL that during his visit to the United States, the Moroccan ruler would try to create a way out of the Libyan-American crisis. This is the effort that Rabat began just before the heated confrontation between Washington and Tripoli in the Gulf of Surt and the attack on the Libyan Jamahiriyah this April.

In a related development, Arab diplomatic sources in Rabat consider it probable that the Western Sahara issue, in turn, will see another step toward a search for a peaceful solution that will end the current tension in the North African region. Observers have particularly noted what the Moroccan ruler indicated in his speech before the Chamber of Deputies, when he mentioned that the Sahara issue must under no circumstances be considered an insurmountable obstacle. This is the same position that President Chedli Bendjedid took when he received the leaders of the parties of the Arab Maghreb states during their recent conference in Algiers. A recommendation was drafted there calling for the formation of a popular commission for the purpose of establishing unity between the states of the Arab Maghreb, without reference to the Sahara problem, which shows that Algeria welcomes reaching a solution to this problem in a pan-Maghreb context.

It has been observed that the Algerian position coincided with the onset of indirect negotiations between Morocco and the Polisario Front, which took place in two rounds under the supervision of the UN secretary general. Since the Arab Maghreb region has recently become accustomed to the politics of surprise steps, the matter no longer arouses astonishment so much as it arouses questioning--particularly in the light of possible changes in existing alliances. Will the Moroccan ruler's initiative have direct effects on the two Arab-African Union agreements between Morocco and Libya, and on the Brotherhood and Concord Agreement between Mauritania, Tunisia, and Algeria?

The establishment of a consultative commission between Morocco, Tunisia, and Algeria, as a first stage--and in the absence of reactions from the Libyan Jamahiriyah--leads one to believe that something political is cooking on a slow fire. Morocco, in any event, remains linked to Libya by the Unity Agreement. Mauritania, in turn, is linked to Tunisia and Algeria by the Brotherhood and Concord Agreement. It does not appear that there is any inclination to go beyond these two agreements. But it also does not appear that there is any inclination to crystallize them in the framework of the newly suggested proposal.

From now on, and until the results of the Moroccan ruler's visit to washington become evident--in the light of Washington's interest in regional and strategic balances in the Arab Maghreb region, and in the light of the completion of talks between the parties of the three Arab Maghreb states and between their executive bodies which, it is believed, will supervise the

establishment of this consultative agency--all the possibilities are present: whether these involve smoothing the way for this effort, or keeping it as a concept for formulating a future groundwork for dialogue about the integration of the Maghreb.

12937/12913
CSO: 4504/374

ARMENIAN SSR HIGH-RANKING OFFICIAL INTERVIEWED IN ALEPPO

Beirut ARARAT in Armenian 11 Jun 86 p 2

[Interview by ARARAT correspondent Hakop Aghayan with First Deputy Minister of Higher and Secondary Specialized Education of the Armenian SSR Vahe Gabujian: "Interview With Soviet Armenia's First Deputy Minister of Higher and Secondary Specialized Education Comrade Vahe Gabujian"]

[Text] Comrade Vahe Gabujian, Soviet Armenia's first deputy minister of higher and secondary specialized education, arrived in Aleppo on Saturday, 24 May 1986, on a 15-day visit. The honored guest was met at the Aleppo airport by representatives of the Aleppo-Armenian Interunion Organization.

Comrade Vahe Gabujian was born in Egypt, from where he emigrated to his fatherland in 1948. there he obtained his higher education, becoming an economist.

He presently holds an important position in that Armenian ministry which has the most difficult mission of providing our younger generation with the highest level of education and knowledge.

We interviewed First Deputy Minister Comrade Vahe Gabujian in Aleppo in order to present to our esteemed readers an outline of the utilitarian activities in Soviet Armenia's higher and secondary specialized education and to take advantage of Comrade Gabujian's visit.

[Question] Would you briefly introduce yourself to our readers?

[Answer] My career biography in Soviet Armenia involves two institutions: the Yerevan State University and the Republic Ministry of Higher and Secondary Specialized Education. Upon graduating from the university I went on to graduate school, becoming a university lecturer upon completing my candidate's degree. Subsequently I held the position of deputy director. After this I transferred to the ministry, holding the position of head of the science department. I then held the position of head of the department of higher educational institutions at that same ministry. I have held the position of deputy minister since 1975, and was named first deputy minister this year.

[Question] What is the purpose of your visit?

[Answer] As you know, for about 30 years now the homeland has been accepting students from various Armenian communities in the Diaspora. Up to the present time 1,224 Armenians from the Diaspora, from 26 different countries throughout the world, have completed studies in Armenia, while 755 Armenians from the Diaspora are presently enrolled at our higher educational institutions. Consequently, I should first like to note, we see in this phenomenon an expression of awareness of obligation on the part of the homeland to the sons of Armenia who, independently of their own will, have been scattered throughout the world. Secondly we view it as an indication of the struggle against assimilation by Armenians in the Diaspora; thirdly, we view it as an expression on the part of the Armenian masses in the Diaspora of the attractive force and evidence of increased attraction by higher schools in Soviet Armenia; the latter in turn is of course due to the high quality and prestige of our higher educational institutions. Experience indicates that Armenians from the Diaspora who have graduated from Soviet Armenian higher educational institutions have successfully competed against graduates of other universities throughout the world. The purpose of my visit to Syria (the Armenian community here has a large number of students) is to confer with the appropriate agencies within the community concerning those matters which will ensure the quality of education of students accepted from Syria, and to increase the number of students from Syria enrolled at higher educational institutions in Armenia who, I should note, include not only Armenians but students of Arab nationality as well. They presently number 103: 16 of these are graduate students and students receiving on-the-job training.

[Question] What kind of specialists are being trained at Armenian higher educational institutions today, and in what numbers?

[Answer] There are presently 13 higher educational institutions in Soviet Armenia. Students are enrolled in 156 areas of specialization. In other words, our higher educational institutions appropriately train high-quality personnel needed to handle present requirements and future development of the republic's industry, agriculture, construction, communications, transportation, education, culture, health care, and science. On the eve of establishment of Soviet rule, 84.5 percent of the population of Armenia was totally without education, while today it is a republic of total educational encompassment. During the years of Soviet rule, 250,000 specialists with a higher education have been produced in Armenia. At the present time 262 out of every 1,000 persons working in the various branches and sectors of the Armenian economy have received specialized education, and 145 of these have a higher education. Approximately 58,900 students are currently enrolled at higher educational institutions in Armenia. This means that 190 persons out of every 10,000 are enrolled in college, while in England the figure is 98, 165 in France and Belgium, 151 in Japan, 99 in West Germany, and 139 in Canada.

[Question] What are the current problems of higher education in Soviet Armenia?

[Answer] We have long since resolved the matter of meeting quantitative requirements of suitably-trained specialists in all branches and sectors of

the republic's economy; of course the question of improving the quality of personnel receiving training is and will be a continuing one. We are therefore constantly working on improving the educational process, especially by strengthening the link between education and science. As you now, the 27th CPSU Congress specified ambitious targets for all areas of activity throughout the Soviet Union. The focal point of the congress decisions is acceleration of scientific and technological advance. Therefore the most important task of higher educational institutions is to ensure the integration of study, science and production, and we in this field consider our most important task to be that of improving scientific research conducted at Armenia's higher educational institutions so that the results of these research efforts, when applied in the branches producing material goods, will generate high productivity.

[Question] In conclusion, what would you like to tell our readers?

[Answer] I place high value on the mission being carried out by the daily newspaper ARARAT, a mission which is patriotic and beneficial to the nation, especially in the difficult conditions prevailing in Lebanon. I should like through ARARAT to wish all nation-preserving organizations long life and success.

3024
CSO: 4605/52

ALGERIA

BEN BELLA BOOK REVIEWED, IDEAS EXAMINED

London AL-DUSTUR in Arabic 9 Jun 86 pp 37, 38

[Article by Izraj 'Umur: "Ahmed Ben Bella--Between Traditional Thought and the Tradition of Ideas"]

[Text] Details of the picture of the Algerian revolution and the status of contemporary Algerian society with all its segments are not clearly outlined. There are two basic reasons for this. The first is the delay in writing down the history of the 1 November 1954 revolution from independence to our times. There were individual attempts, however, of an academic nature, but they were absorbed more in searching for a suitable path then in thoroughly examining facts and findings. Most of the facts and findings are in France, and it has refused to hand them over to the Algerians. Some are with militants, officers, and officials who are still living, but who cannot talk about them because they adversely affect persons who are still in the political leadership of the country and in positions of influence and power.

One may say that the seminars organized by the Mujahidin to gather the testimony and views of the earlier fighters is one way to write this history, even though the activity of these seminars is limited to enumerating military questions like battles, supplies, the number of casualties, and citing political communiques and convenants of the revolution of liberation. Meanwhile, economic, cultural, and agricultural aspects, as well as the great disparities which exist, are neglected on purpose, because they are a delicate subject which arouses sensitivities.

The second factor is that doors are not open to debate the experiment of Algeria after independence in a responsible, candid manner in order to sift through it, reinforce its positive aspects, and eliminate its negative ones. On the one hand, this situation has maintained the image of the 1 November 1954 Revolution and the post-independence experience in a carefully-guarded framework enveloped in a wrapping which makes the observer take either a romantic view of Algeria or the view of someone who knows nothing. Such a climate has permitted Western writers to study the revolution of liberation and the present situation in a manner governed by impressions, repeating information already in circulation, and revolving in an orbit of generalities without going directly into detail in depth.

The same climate has permitted the Algerian opposition residing abroad to resort to the practice of sentimental writing, behind which one smells the search for ways to regain power. One of these is the book of former Algerian president Ahmed Ben Bella, A COMPLETE INFORMATIVE ACCOUNT. In fact, it is a collection of interviews conducted with him by an Arab journalist and first published in the magazine AL-SHIRA'. The book contains seven chapters with an introduction and cultural biography of the former president, Ahmed Ben Bella. The book includes the following focal points: Age of Renaissance, Islam and the Global Structure, Islamic Movements, Arab Nationalism in Thought and Practice, Arab Formulas for Development and Modernization, a View of Contemporary Sociology, and a Comparison of the Algerian and Palestinian Revolutions.

The importance of this book stems from the fact that it is the book of an Algerian president ousted by a military coup in 1965 in obscure circumstances for reasons which have not been made sufficiently clear. There were a number of accusations exchanged between the two sides, and they concerned mainly the method of government, not content. In other words, the dispute between the two sides was technical, not ideological. This is evidenced by the fact that Boumediene changed neither the essence of the educational program in all its forms, the content of national information, nor laws involving the practical life of the masses. The agricultural, industrial and cultural revolution which was raised as a slogan did not in fact go beyond the scope of building institutions and structures which developed the bureaucracy. This bureaucracy prevailed during the time of Ahmed Ben Bella and became a factor blocking the application of socialism later in contemporary Algeria. Furthermore, the philosophy of this socialism which was to be applied in Algerian society was not defined.

Historical Background

Discussion of Ahmed Ben Bella's book must begin with a clearly-defined historical background and a clearly-defined Arab position, if the results of this discussion are to be useful.

To begin with, the book expresses a view which is so chaotic and selective that it becomes fabrication. There is no clear indication of the shortcomings of the author's era or the flaws and mistakes of that era. Consequently, we find no trace of the circumstances and conditions which brought him to power immediately after independence. According to documents and information which are no longer secret, former President Ahmed Ben Bella did not come to power by democratic referendum, but by means of the Algerian Army which came to the Western region from the borders of Tunisia by way of the Algerian South. Entering into a ruinous battle would have caused a horrible civil war had it not been for the wisdom of the Algerian people who went out on the streets shouting and crying, "Seven years of blessings." In other words, the wounds of the Franco-Algerian war which lasted 7 years had not yet healed.

The book does not clarify the doctrinal disputes which broke out among members of the leadership during formulation of the convenants of the revolution, especially the Pact of Tripoli and Algiers. It failed to clarify Khider's dispute with Ahmed Ben Bella and the other members of the political leadership at that time. Khider was forced into exile and with him the assets of the revolution of liberation. They are the treasure of Algeria and remain missing to this day.

The reader of the book A COMPLETE INFORMATIVE ACCOUNT will be disappointed if he is curious about discovering the facts concerning the murder of leaders of the 1 November Revolution like Amirouche, Si Haouas and others. There are contradictory opinions about them, and questions are still pending without satisfactory answers.

There is also mention of certain revolutionary positions of figures like Shakib Arslan, Jamal al-Din al-Afghani, Amir'Abd al-Qadir, and others. However, they are in an emotional context used for particular purposes. On the other hand, suspicions about the struggle and conduct of Imam, Abdelhamid Ben Badis and Cheikh Bechir Ibrahimi are not supported by historical documents and testimonies in which one is confident. If Ahmed Ben Bella thought that Abdelhamid Ben Badis was against Algerian independence from France, this opinion has been proven wrong by documents obtained from Abderrahman Chibane, former minister of religious affairs. They make clear that he gave his blessing with Cheikh Bechir Ibrahimi to the outbreak of the 1 November 1954 Revolution. Perhaps the anthem of the revolution which every Algerian has memorized, is the most sincere indication of Ben Badis' rejection of incorporation. The anthem is, "The people of Algeria are Muslim." This passage contains, "Whoever seeks assimiliation is seeking the impossible." How is it rational for Ahmed Ben Bella to disagree with the program of Abdelhamid Ben Badis and Bechir Ibrahimi and at the same time leave the son of the latter, Dr Ahmed Taleb Ibrahimi, in power during his regime? Now Ahmed Ben Bella comes and says that Dr Ahmed Taleb Ibrahimi is the sponsor of current Algerian policy and rejects his presence and influence within the regime. This is not the place for me to defend the trend of the Association of Ulema. On the contrary, I will try to divulge the facts from a neutral position and establish the mutual contradictions in Ahmed Ben Bella's ideas.

The question of minorities, for example, emerges in the book from time to time and assumes importance. His position is to respect minorities and give them their rights. Here we pause and refer to history. We find that Ahmed Ben Bella fought the Berbers in Algeria with arms during his regime. He killed many of them. If it had not been for external factors, the civil war in Algeria would not have come to an end. As for rights, no laws were issued guaranteeing Berbers the right to develop their language and tribal communities to serve the national culture in its diversity within the framework of cultural, geographical, and psychological unity. No one knows why in the context of this speech on minorities he did not mention the democratic Iraqi solution with regard to the Kurds. He contented himself with attacking the current Iraqi regime. I raise this question so no one

perhaps will claim that the ideas of Ahmed Ben Bella have evolved. Here we state that they have not evolved concerning this critical problem. The scientific view of the problem of minorities is not regional, but pan-Arab, and then it unfolds on a global scale.

Nasirism Is Not Speeches

The term "Nasirism" is frequently repeated in the book in the sense that the ideas of Ahmed Ben Bella have a Nasirite stamp and are a continuation of them. However, Hasirism is not a collection of speeches of the leader Gamal "Abd-al-Nasir. On the contrary, it is a collection of values and practices which he tried to apply both in Egyptian society and on a pan-Arab level. Gamal 'Abd-al-Nasir, according to the Egyptian National Pact, confirms scientific socialism. We find that Ahmed Ben Bella in his book rejects socialism, Marsixm, and capitalism as well. He proposes an alternative which is self-motivation. It is at the heart of the socialist experiment of Tito in Yugoslavia. Elsewhere in the book he proposes "consultation" as a means of government instead of a parliamentary system and republican regime or a government of the working classes, as is the case in literature and in many practices in socialist countries. With the preceding, we perceive an attempt to reconcile two theses--that of Khomeyni in Iran and that of al-Qadhdhafi in Libya. It should be noted that this reconciliation has been imposed by the political game, the achievement of material interests, and the moral support of Ahmed Ben Bella as opposition. The theory of the nation, which he, through his book, has tried to crystalize, has led to a demand to transcend the form of the nation. This, in fact, is not his invention, but an idea proposed by Lenin in his book STATE AND REVOLUTION. The difference is that the thesis of Lenin is historical, and the thesis of Ahmed Ben Bella is political and temporary. The theses and practices of Mu'ammar al-Qadhdhafi have not led to the creation of a new cultural, technological, and ethical model. On the contrary, they have produced a society with a consumer mentality and a chaotic character in the management of affairs, both internally and externally. That society has constant recourse to gas and petroleum, and this has led to the loss of many advantages even during the era of the monarchy, including relative personal freedom and the work ethic. In the same manner, the reactionary theses of Khomeyni have created the bases of backwardness in Iran and the decline of economic and cultural life, according to the testimony of political observers and the Iranian people themselves.

Nationalist Thought

Nationalism is another matter. We find mention of it in the book with discussion of contemporary Arab national thought. In discussing the ideas of Professor Michel 'Aflaq, Ahmed Ben Bella feels that they are imported from France where the concept of nationalism prevailed during and after the World War. The these of Professor Michel 'Aflaq, as he is known, were not tied at all to the French thesis. Why? The concept of nationalism does not mean uniting the peoples of Europe in the French notion mentioned by Ahmed Ben Bella. On the contrary, it means uniting the French people and creating an equilibrium between the Alsatians on the German border and

other segments of the population of France, in order to guarantee that the Alsatians not secede and join Germany. At present, languages have not received their due in France and are not granted total freedom. This is one of the central problems in French social, political, and cultural life at present. On the other hand, the theses of Michel 'Aflaq are not "nationalism" in its narrow sense. On the contrary, his is basically a thesis using civilization, history, language, psychology, and common destiny as the boundaries and bases. It does not focus on descent. In this respect, it presents formulations to crystalize means of achieving Arab unity which guarantee the respect of minorities and their culture, as was the case with the Kurds in Iraq.

Composed Writing

The book brings up several points about literature and philosophy. For example, Ahmed Ben Bella considers Sholokhov a dwarf compared to Gorky. The comparison historically is impossible in this respect, but each one has his own bias and particular characteristics in expressing issues of one era which is different than another. Sholokhov may be compared only with himself or with the history of his country. Here one should note that it is better to avoid the term "dwarf" in composed, critical writing.

These are some observations about a book which has provoked and continues to provoke numerous questions. Perhaps we may agree on a few of them, but we certainly disagree on the hypothesis, the program, and the goal.

The time has come to discuss the new wave of traditional Arab thought disguised in the false claims of revolutionism, which comes from the tradition of these and programs of regimes of demonstrated failure, such as the theses of Khomeyni and al-Qadhdhafi and their programs and practices at home and abroad. The thesis of the Salafiyah and the Mu'asiriyah, which he discussed in his book, contains many pitfalls having to do with the use of the conventional, and it requires a separate study.

7811/12624
CSO: 4504/351

EGYPT

COPTIC POPE INTERVIEWED ON SHARI'AH, OTHER ISSUES

London AL-TADAMUN in Arabic 28 Jun-4 Jul 86 pp 8-10

[Interview with Coptic Pope Shanudah by correspondent Hamida Na'na': "I Fought in Palestine and the Copts Won't Visit Jerusalem Until After the Liberation"; in Cairo, date not given]

[Text] Pope Shanudah, a personality who provokes debate and dialogue, is at the head of the Coptic Church, which has had its identity and independence for hundreds of years and which is experiencing one of the most critical stages in years. This stage is characterized by the Coptic Church's departure from its isolation and its attempt to extend itself beyond its own parameters in the direction of Egyptian Coptic youth residing abroad. It is likewise characterized by what one could call "the return to religion," whether that be a return to Islamic or Christian religion.

His name is Nadhir Jayyid. He was born in one of the villages in upper Egypt near the city of Asyut. Then he moved to Cairo when he was 5 years old, to live his childhood in the low income quarter of Shubra. He grew up before the winds blew his ship in the direction of communion with himself and God. He graduated from the college of liberal arts and became a journalist, an author, and a poet. Then he entered the priesthood and was ordained as a bishop under the title of Abba Shanudah. Today he sits on the papal throne, and is responsible for the spiritual life of the Egyptian Copts whose fathers rejected the decrees of the Council of Chalcedon and paid for their beliefs with their lives.

AL-TADAMUN met with Pope Shanudah in Cairo and this was the interview:

[Question] We don't need to present you to our readers, for you are well known to them. But we will enumerate some of your attributes: author, journalist, poet, and educator responsible for the spiritual life of more than 6 million, inside and outside Egypt, in Europe, Australia, and the United States. In your 63d year, 11 of which were spent in a cave alone, my question to you is, with what weapon and by what means did you face loneliness?

[Answer] First, I didn't spend 11 years as you mentioned, but 8½ years, from 1954 to 1962. I spent these years transcribing, translating, reading,

and writing. As for my perception of loneliness and how I faced it, I want to tell you something. In once wrote two lines of poetry in which I said:

I have a solitary path that I love.
All my life I have followed it.

Whether I'm in society, or in exile.
In my solitude, the two are equal to me.

Man's internal life is the basic issue. If he prefers solitude, solitude will become part of him. I wrote much poetry about solitude when I was in the world before becoming a monk. Most of my feelings spoke about the life of the wandering monks, who traveled aimlessly in the mountains, and I said in one of these poems:

Alone in the wilderness, I concern myself with no one else.

Among the cracks of the mountain, I hide my cave.

Lost in the wilderness, I eat my bread
wandering from wasteland to wasteland.

I belong to no particular monastery, for all the
deserts and the hills are my monastery.

[Question] Do you believe we have neglected mentioning some things in introducing you? Can you clarify them for AL-TADMUN's readers?

[Answer] You forgot to mention that I studied archeology and history. Then I joined the army and was ranked at the top of my class of officers. Then I went to fight in Palestine.

[Question] We can then ask the priest fighting for Palestine about the position of the Coptic Church, at whose head he finds himself today, on the Palestinian question.

[Answer] I have written the Christian view of Israel in a book, a book which is based on a lecture I gave in 1965 at the Union of Journalists when one of my friends, Professor Hafiz Mahmud, was its chairman. This lecture was published by the Union. All of it was indeed from the Bible and its view of Israel. I remember when I met President Jimmy Carter in 1977 he referred to this book, and he asked me about it, saying, "I learned you wrote a book about Israel, and you said that the Jews were not God's chosen people." I answered him, "Yes, they are not God's chosen people, Mr President, and if it were so, then you and I would not be God's chosen people because we are not Jews. Do you believe that God left all these millions of peoples to choose three or ten million Jews, either inside or outside Israel, so they would be God's chosen people? In the Old Testament the Jews were the only ones who worshiped God because the prophets appeared in Palestine, but when the faith spread all over the world, this question was refuted."

[Question] We all know the history of the Coptic Church, and we know that this church has continuously supported the embrace of national independence. Two months ago we heard a quote from Yasir 'Arafat that he attributed to you. He was repeating it with admiration, as proof of the Egyptian people's steadfastness in the face of the normalization. If I remember correctly, the quote was, "The Copts won't enter Jerusalem except with their Arab Muslim brothers." We know that there are problems between the Coptic Church and Israel because of the al-Sultan Monastery. Could Your Holiness comment on this dispute?

[Answer] Really, the Coptic Church was founded at the beginning of Christianity, along with the founding of the theological school of Alexandria. A pagan school had been there which kept thousands of manuscripts. A religious school had to be established that could oppose pagan thought. The theological school became well-known and it took credit for introducing many Christian scholars such as Saint Athanasius al-Rasuli and Kirillus al-Iskandari. Then it played a big role in the great Ecumenical Councils. In addition to all that, the Egyptian church gave the world all the monastic laws, and Egypt became the center of monastic life in the whole world. The Coptic Church's independent character continued, and when it did not join the Holy Roman Empire, this Empire rejected it beginning with the 5th Century. Thus the Copts in Egypt experienced the oppression of the Holy Roman Empire, which lasted until the beginning of Islam. When 'Umaru-Ibn-al-'As arrived in Egypt, the Coptic Patriarch was Pope Benjamin, the 38th pope. Banished from his seat for 13 years, he traveled to the cities and towns to help people to strengthen their faith. The first thing 'Umaru-Ibn-al-'As did was to return the churches to the pope that had been taken from the Copts by the Romans. Thus began a good relationship between the Copts and the Muslims. We have lived as brothers for over 13 centuries in an atmosphere of affection and cooperation.

[Question] The Prophet of God has recommended you. Did he not say to the Muslims, "God shall deliver Egypt to you after I'm gone. Protect its Copts for they are your kinsfolk, and they are under your protection." There are ties of kinship between you and the Muslims, for the wife of the Prophet, Maria, who bore him his only son Abu-al-Qasim, was a Copt from Egypt.

[Answer] There is a prophetic tradition that says, "I urge you to take care of the Copts, because you are related to them." In any case, the history of coexistence between us and our Muslim brothers in Egypt is obvious and great.

You asked me about my position on the Palestinian issue. When I met with Carter in 1977, I told him that it was inhuman to leave the Palestinians without a homeland. But it is my opinion that the Palestinian issue could have been solved if the Arabs had not been so divided among themselves. Unfortunately, the Palestinians are massacred and expelled from many places at the hands of the Arabs themselves. If the Arabs were united, what is happening today would not have happened. As for the problems between us and the Jews, as you know the Coptic Church has holy places in Jerusalem, as different churches do. On 25 April 1970, which was Easter, our archbishop in Jerusalem was praying in the Church of the Resurrection, when Israeli troops

entered with arms and occupied the al-Sultan monastery. They changed the locks on the doors and took over what was between the Church of the Resurrection and the monastery because the patriarchate of the Copts is adjacent to the Church of the Resurrection in Jerusalem. After he finished his prayers, the archbishop was not able to go there because the Israeli soldiers stopped him. After a while they delivered the church to the Ethiopians. The dispute is ongoing. The question of the al-Sultan monastery is a side issue, but the problem between us is much more comprehensive. We, as I said, will not enter Jerusalem except with our Muslim Arab brothers, and therefore we have forbidden visits to Jerusalem by all Copts. When a travel agency organizes a trip without our knowledge and certain individuals sign up for it unknowingly, if we find out, we contact them and we forbid them from going. Even our sons in Europe adhere to the orders of the Church in this regard.

[Question] Your Holiness the Pope, your talk about the Arabs and the unity of the Arab position reminds us of a statement made by the late Lebanese president Bashir Jumayyil after he was elected president of Lebanon, "The Christians of the East are oppressed," using the Copts of Egypt as an example. According to what you have said, this is absolutely not true. What is the position of the Coptic Church regarding national unity?

[Answer] The statements of Shaykh Bashir Jumayyil represent a reaction to Sadat's actions. But what Sadat did represented a situation and a temporary stage which Egypt experienced peacefully. In Egypt we are different from Lebanon, because we have one national orientation, and no difference over the patriotism question can occur between Muslims and Christians. Domestically, Egypt is united, and its national goals are one. The Egyptian is an Egyptian, be he Muslim or Christian. There is no difference in his patriotic orientation or in his sense of belong to his country.

During the Crusader wars the Copts stood united behind their Muslim brothers against the Christians who were attacking their country. During the revolution of 1919 the Copts stood beside the Muslims against the foreign occupation. Praise God there are no militias in Egypt. Rather, there is one strong army protecting the country because our enemy does not distinguish between Christians and Muslims, and why should we distinguish between them? In Lebanon, unfortunately, every faction has an army and a militia. This situation is what led to the bloody conflict that Lebanon continues to live through. We hope in our hearts that this struggle will end well, that the Christians and Muslims will return to the peaceful coexistence they had throughout history.

[Question] Even though we admire and appreciate the role of the Coptic Church in the protection of national unity in Egypt, we worry about the waves of fanaticism and sectarianism in the Middle East, what is Your Holiness' view of this wave of fanaticism on the part of Christians and Muslims? How do you explain this wave or movement? Rather how do you deal with it among Christian youth?

[Answer] The people need to know that there is a line that divides piety and fanaticism. Each person can cling to his religion, but if he is a fanatic, that is a serious mistake. Religion should be an incentive for love and good conduct. As for fanaticism, it is totally opposite. Fanaticism confines man into a tight circle where he doesn't come into contact with the rest of his brothers or his neighbors. A person can hold to his religion. But he cannot impose his views with force on others. We must realize that our Lord gave people the freedom to worship Him as they wish. God wants every person to come to Him because of what he feels in his heart, and not out of compulsion or obligation.

Dealing with fanaticism requires a religious dialogue with the new generation, a dialogue that elucidates the essence of religion and makes clear that winning the people over is not done by force, but rather by good social relations. The problem of force actually needs to be studied today all over the world, not only in our region. As for your question regarding how we deal with this problem among Christian youth, I say, with relation to our youth, we should not wait till they grow up to pay attention to them. Rather we pay attention to them when they are very young. We begin by caring for them spiritually through Sunday schools. This way we won't find a problem with the children when they grow up because they will have learned that religion is not just instruction or passages from the Bible but rather a practical application in daily life that in time develops into habits and characteristics that are deeply rooted in the heart of man. When he grows older and becomes a young man, these habits and characteristics give him immunity against external problems.

Naturally, mistakes happen. But the church strives to meet with young men and women to examine these mistakes and to deal with them and with any problems they are confronted with, be they emotional, spiritual, or material.

[Question] Today in Egypt the issue of implementing the Islamic Shari'ah is raised. As you know, the People's Assembly continues to debate this subject. How does Your Holiness view this issue? Do the Copts fear the implementation of Islamic Shari'ah?

[Answer] We do not interfere in the affairs of our Muslim brothers. Whether or not they implement Islamic Shari'ah is a question that concerns them. But what concerns us is how the Christians will be treated when Islamic Shari'ah is implemented. Will they be treated as citizens who have all the rights of citizenship, or will they be treated as infidels? I am speaking frankly. These words are based on long research of the Islamic Shari'ah. All the Christians want is the preservation of their rights, and that they not lose equality with their Muslim brothers concerning some of their special legislation and concerning personal status issues such as marriage and divorce. The Hadith says, "If non-Muslims come to you, judge them according to what they worship," meaning according to their beliefs. Old legal documents contain provisions to that effect.

There is a Koranic verse that those who call for the implementation of the Islamic Shari'ah should always recall. The verse says, "Whosoever judges not according to what God has sent down, they are the ungodly."

Actually, the previous verse is not a whole verse, but half a verse. The first part of it says, "Let the people of the gospel judge according to what God has sent down therein. Whosoever judges not according to what God has sent down, they are the ungodly." (Surat al-Ma'idah, verse 48.)

The Koran itself gave the Christians the right to have their own laws applied to them. The people of the gospel shall be judged according to what God has sent down therein.

There are many details that have to do with the implementation of the Islamic Shari'ah, I don't mean the text of the Shari'ah only, but what is understood by the Shari'ah in the view of the people and extremists.

[Question] During Ramadan, you invited guests to the patriarchate for the breaking of the fast. This is the first time, I believe, that the Coptic pope had invited the president of the country, the prime minister, senior officials and personalities. What is the meaning of this invitation to you?

[Answer] True, this is the first time, and it has never happened before, that the pope made an invitation to the patriarchate. But on the local levels the bishops undertook such initiatives. My aim, through this invitation, was to strengthen the ties of friendship and amity between us and our Muslim brothers, to eat a simple meal together. The reactions were positive and encouraging. The event will become a tradition every year, whether in the Patriarchate or the bishoprics. Neither formalities nor laws create bonds between human beings, rather it is personal relationships and acquaintance that create them.

This is not new to me, for as you know, I met a group of Christian and Muslim religious men in a meeting called by President Sadat in 1977 at 'Abidin Palace. In that meeting I said, "Why don't we work together?" I proposed that we write a joint statement on common issues. I said, "We all believe in morality, why don't we write something against vice? We all believe in God, so why don't we write against, for example, heresy?" If the people saw a document signed by Christian and Muslim clerics, many things would change.

[Question] But the invitation is a good tradition, and I think that since you took over the papal office many new things happened, including an attempt by the church to come out of its seclusion. For example, you are the first Coptic pope to meet with Pope Paul VI in the Vatican and you issued that day statements about the "rapprochement among churches." What have you accomplished in this regard?

[Answer] The meeting between myself and His Holiness the Pope of Rome took place in 1973. It was on the occasion of the passage of more than 16 centuries since the death of Pope Athanasius al-Rasuli, when I went to receive his body from Rome. We made an agreement which I signed in the name of the Coptic Church and which Pope Paul VI signed in the name of

the Catholic Church. Then a committee for joint dialogue was formed to discuss the religious differences that exist between the two churches.

[Question] Did you reach anything new?

[Answer] The committee is still carrying out its work, but it has been less active recently.

[Question] Undoubtedly Your Holiness has noticed the movement of Pope John Paul II, and it is a movement that carries clear politi al implications, in a world embroiled in conflict and changes. What are the limits that can be drawn between men of religion and politics? Has politics become a part of religion in our contemporary world?

[Answer] Are you speaking of Egypt or Rome?

[Question] I'm speaking of Rome and of Egypt.

[Answer] His Holiness the Pope of Rome is not only a man of religion, because he has two jobs, one religious, and the other secular. He is the head of state of the Vatican and is responsible for the Catholic Church. His movement is that of a head of state, then as the head of a church.

[Question] What about Egypt?

[Answer] In Egypt the Coptic Pope has a religious job only.

[Question] While we're still discussing politics and religion, what is Your Holiness' view of the steps the Catholic Church has taken to exonerate the Jews for the blood of Christ? Is that a religious or a political act? Is the pope's recent visit to the Jewish Temple in Rome and the statements he made there merely a religious visit?

[Answer] I do not follow the details of the pope's visits. But the exoneration of the Jews for the blood of Christ, if we look at its religious dimension, is an attempt that will not be successful. We have opposed it strongly in the Coptic Church. We have convened conferences to explain this subject. We see in this endeavor a clear violation of the Bible itself. This initiative was started by a German cardinal. This cardinal fell victim to feelings of guilt about what his nation did to the Jews. The Jews still try to instill feelings of guilt into the souls of the Europeans in general. Thus, this cardinal called for the exoneration of the Jews from the blood of Christ, under the pretext that those who crucified and tortured Christ were the Jews of the past and that their sons should not bear the results of their errors. Our response was clear in this regard. We said, "If the Jews today were exonerated for the sins of their fathers and if they acknowledged Christianity, we could accept such a logic." But what is happening is that the Jews to this day believe in what their fathers told them about the notion that Christ had not yet come and that the one who came was a misguided person who deserved what their fathers did to Him.

With this belief, they renounce Christianity itself and take part in straying from the truth, and blasphemy, if not in deed, then in words.

[Question] The influence of your church has extended beyond Egypt. At the same time Christian youth is emigrating to the United States, Australia, and Europe. What is the strength of this presence? Is the Christian youth abroad in touch with the mother church in Egypt? How can this phenomenon be dealt with?

[Answer] We have many churches in all the countries of the world. But these churches are tied to the mother church. The first article of their founding law states, "that it is a part of the Coptic mother church in Egypt." As for the priests who serve abroad, they are priests sent from here, and the decision to keep them or recall them is made by the mother church, of course, with the concurrence of the congregations abroad. The church protects its children abroad and strives to educate them about their eastern heritage and civilization so they are not lost. But I fear that the time might come when Egyptian emigrants to the United States and Europe lose their roots, and Egypt becomes a distant memory.

We are careful to teach their children Arabic, careful to cultivate eastern traditions among them, careful to see that they continue to be a part of their civilization.

[Question] Does Pope Shanudah still write poetry, for example, while at the head of the religions institution?

[Answer] The talents of a gifted man do not leave him. When I was young I had enough time to write poetry. Today the situation is completely different. I lack the time.

The tape recorder stopped. But the dialogue between us continued for 4 hours, during which Pope Shanudah, patriarch of the Coptic Church, touched on difficult and important subjects he wished to discuss off the record. He discussed many issues, especially those that resulted in the clash with President Anwar Sadat, the pope's exile and house arrest.

On the way to the AL-TADMUN office, I was convinced that an objective discussion and a gradual understanding would help to shed some light on religious and political personalities who manage the affairs of our country. Herein lies the critical task of any Arab journalist who appreciates the seriousness of Arab shifting developments that challenge the very existence of the Arab nation.

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SUDAN

COMMUNIST LEADER FATIMAH AHMAD IBRAHIM INTERVIEWED

Leader's Visit to U.S. Discussed

London AL-TADAMUN in Arabic 5-11 Jul 86 p 4

[Editorial: "Letter From AL-TADAMUN"]

[Text] Reports from Khartoum say that the American embassy has granted Mrs Fatimah Ahmad Ibrahim an entry visa to the United States in her capacity as president of the Sudanese Women's Federation. This means that Mrs Fatimah [Ibrahim] will be the first Sudanese personality of Marxist ideology to visit the United States, the unyielding citadel, in the confrontation with Marxism.

Although the visit is not official, the mere granting of a U.S. entry visa to Mrs Fatimah [Ibrahim] constitutes an important sign--we might almost say a question mark--about the American method of dealing with others who have leftist leanings or who hold Marxist beliefs.

The fact that Mrs Fatimah [Ibrahim's] visit is unofficial does not mean that she is going for tourism or to see the sights of the United States. She is president of the Sudaneses Women's Federation, which had a noteworthy share in toppling the regime of President Ja'far Numayri. Also, Mrs Fatimah [Ibrahim] is to give a lecture at the University of Houston in Texas on the political situation in the Sudan. A large number of university people, students, and professors are certain to gather around this prominent black Arab personality who has a command of the language and culture in order to hear a great deal from her about Sudanese and regional affairs, bearing in mind that she is the widow of al-Shafi' Ahmad al-Shaykh, the internationally known union leader, who, had he not been executed together with a group of leftist civilians and military men, might have become one of a "troika" ruling the Sudan. Such was to have been the case had the attempted coup led by the late Hashim al-'Ata in 1971 succeeded (official papers once examined by AL-TADAMUN make this clear).

It is not clear whether this move by the American embassy in Khartoum indicates a new American policy of opening to the Sudanese leftists, or whether it is an attempt to gain access to them, similar in some respects to what the American embassy in Cairo attempted when it granted a U.S. entry visa to the internationally known leftist writer, Muhammad Sayyid Ahmad.

This leftist personality of bourgeois origins visited the United States and returned with his convictions basically unchanged.

It remains to be pointed out that the occasion for these words about Mrs Fatimah Ahmad Ibrahim is that, with the interview with her published on pages 25, 26 and 27 of this issue under the title "Women Politicians in the Sudan," AL-TADAMUN concludes a series of interviews conducted in Khartoum by our colleague, Fathal-Rahman Mahjub. The first interview was with Mrs Sarah al-Fadil, the wife of Prime Minister Mr al-Sadiq al-Mahdi. The second was with Dr Su'ad al-Fatih. In these three interviews, a fundamental fact emerges: The consciousness of Sudanese women calls for admiration.

Fatimah Ibrahim Discusses Role of Women

London AL-TADAMUN in Arabic 5-11 Jul 86 pp 25-27

[Interview with Fatimah Ahmad Ibrahim, member of the Central Committee of the Sudanese Communist Party and president of the Sudanese Women's Federation, by Fath al-Rahman Mahjub: "Women Need a Political Weapon To Realize Their Demands"; Khartoum, date not given]

[Text] Those who followed the parliamentary elections that took place in the Sudan this April observed a new phenomenon in the political arena: Women outnumbered men in registering to vote. The interest of women in registering was significant and clear, and the effect of this interest was decisive in the elections, especially since estimates indicated that women formed 54 percent of the total of those registered to vote in the Sudan.

Although the phenomenon of women's participation in the political arena is not a new matter in the Sudan, the recent election caused women to become an electoral force not to be undervalued. A striking fact was that the strong women's interest in registration was not reflected in their representation in the Constituent Assembly. Only two women representatives won from the National Islamic Front. One may go even further and say that the total number of women nominated as candidates by the political parties taken as a group was not in keeping with the proportion of females registering to vote. While some people think that this deficiency is a result of political parties that still are afraid to nominate larger numbers of women, others say that the responsibility lies with women, who still hesitate to enter the arena of politics.

AL-TADAMUN met with three women known for their activity in politics and in defense of the cause of women and had discussions with them about the problems of women in the Sudan. In the issue before the last, we published an interview with Sarah al-Fadil, who is the wife of Prime Minister al-Sadiq al-Mahdi, and has become the first woman to enter the office of the General Secretariat of the Ummah Party. In the last issue, we published a conversation with Dr Su'ad al-Fatih, one of two women representatives in the Constituent Assembly (the parliament), and a leader of the National Islamic Front. We now publish the third interview, with Fatimah Ahmad Ibrahim, who was the first Sudanese woman to enter parliament during the sixties and who is still very active in politics and in defending women's issues.

The Sudanese know of Mrs Fatimah Ahmad Ibrahim's courage and boldness in voicing her opinion, even if this frankness puts her into a position of conflict with the government. Her voice continued to be raised in opposition to the previous regime despite her being subjected to arrest, prosecution, and trial. She was one of the few opposition personalities who did not take refuge in exile or in silence about a situation with which they did not agree.

Born during the thirties to a father who was a teacher of Arabic language and Islamic education, she worked as a teacher for a brief period after her graduation in 1951, and afterwards devoted herself to defending women's issues. In 1952, she served as president of the Sudanese Women's Federation, and in 1954 as editor-in-chief of the magazine SAWT AL-MAR'AH ["The Voice of Women"]. She is now a member of the Central Committee of the Sudanese Communist Party, which she joined in the course of her efforts to liberate Sudanese women.

In the sixties, she married one of the leaders of the Sudanese trade union movement, al-Shafi' Ahmad al-Shaykh, general secretary of the World Federation of Workers' Unions, who was executed in the wake of an attempted leftist coup against the previous regime in July 1971. She has one son by him, Ahmad, who is preparing to enter university studies.

Mrs Fatimah [Ibrahim] has taken notable stands in the area of defending women's issues and in general political activity. The first women member of the Sudanese parliament, she entered parliament from the graduates' constituencies in 1965, during the second period of democracy. During the two periods of military rule, she was subjected to persecution and prosecution, spending nearly 4 years in prison under Numayri. In the elections of April 1986, she was a candidate of the democratic and socialist forces and of the communists. She did not win; had she done so, she would have become the first Sudanese woman to enter parliament among the people's representatives from a geographical constituency.

[Question] We begin with a question that some would classify as a self-evident matter: Is there, in your opinion, a women's problem?

[Answer] The women's problem is a complex and many-sided problem and has been the subject of many opinions and discussions locally and internationally. Three theories have arisen in explanation of the women's problem. The first denies that there is a women's problem: Women being weaker and less intelligent than men, it is not strange that they should occupy a lower station than men and be subjected to oppression. This opinion is the feudal or reactionary idea. I would not call it the [Islamic] traditionalist one. There are some traditionalists who harbor progressive ideas, and there are some young people who harbor reactionary ideas.

The second theory, which belongs to capitalist or bourgeois thought, acknowledges that there is a women's problem, but tries to abort the issue and divert the women's movement. This theory considers that the cause of women's backwardness is the egotism of men. In this way, it attempts to divert the

women's movement into a struggle against men, rather than a struggle together with men to change the causes of women's backwardness. This idea treats women's problems on the basis of women's relation to men and not on the basis of their relation to society.

The third and final idea is the socialist one. It asserts that there is a women's problem, as evidenced by the existence of women's organizations and movements in all parts of the world, while there exist none that unite men as a sex. The meaning of this is that men, as a sex, have no problem, while women, as a sex, have a problem. Socialist thought treats the women's problem on the basis of women's relation to society, not on the basis of their relation to men, and specifies the bases for the liberation of women. It calls, first of all, for women's equality with men and for their complete liberation from a twofold oppression: their occupying a lower status than men, on the one hand, and the social aspect related to the ownership of the means of production, on the other hand. With the transformation of the ownership of the means of production, the situation of women will be transformed. In any class society, women will remain in a lower position than men. As long, that is, as there is inequality between men, there is no place for equality between men and women. If in a class society there is one class of men that oppresses another class of men, women have no scope for liberation from oppression. This is the thread that ties the women's problem to the problem of society and to the problem of the working class.

[Question] What are the justifications and results of each of the three attitudes you have mentioned?

[Answer] Among us in the Sudan, the feudal idea is espoused by some of those who raise the banner of Islam, whether they be the National Islamic Front, the Muslim Brotherhood, or, as they called themselves in the past, the Islamic Charter Front. From their views, many erroneous conceptions have arisen, without foundation or support in science, logic, or religion. There are statements going around to the effect that women lack reason and religion, and that woman was created from man's rib. In the Noble Qur'an, there is no backing for women's lacking reason and religion or for woman's having been created from man's rib. These are all reactionary ideas wrapped in the cloak of religion. An Arab poet once blurted out:

Women are devils created for us;
I take refuge in God from the evil of the devils!

Such feudal thought attributes a single character to the female sex. This is something erroneous in logic and science, for it is not possible for the same character to be present in an entire sex. Women cannot be devils and men angels. This is an inadequate idea.

Even in modern times, we find poets and writers like al-'Aqqad in his book, "Women in the Qur'an," accusing women, as a sex, of certain ingrained character traits, as if it were possible for these to be present in the entire female sex. This is the feudal thought that does not believe there is a women's problem.

[Question] What do you mean by the capitalist or bourgeois thought that you said treats the women's problem on the basis of women's relation to men?

[Answer] The danger of this thought is that it considers women a delicate sex and advocates their avoiding politics on the ground that politics is a rough battlefield and women a delicate sex. This thought judges women by appearance: on the basis, that is, of their form and beauty, their physicality, and sexuality. It deals with them entirely as a commodity.

In capitalist societies, we therefore find women treated as a commodity. Companies compete to invent kinds of powders and cosmetics, and the society takes an interest in holding beauty contests and fashion shows where women are displayed as a commodity to be judged by appearance and figure, as measured by the parts of her body. This is a dangerous idea for women, Naturally, it is obsessed with highlighting sexual aspects and problems. We therefore find capitalist society exerting its utmost effort so that women's movements turn aside and direct their struggle against men. Thus, there have emerged perverted women's organizations that began with the idea that man is the enemy of woman and have ended with a call for dispensing with men, even in the natural relations between the sexes, thus turning into organizations for homosexuality. Such organizations are utterly remote from the problem of women.

Perverted associations such as these have received legal recognition, as has happened in the United States at the hands of Congress. As a result, we find that in America, despite its being a developed country and a leader of the capitalist world, women have even today not obtained equality with men. A working woman, for example, earns 65 percent of the income of her male colleague, despite her having the same qualification and performing the same work. Women's organizations there have thus not yet been able to achieve success in solving the women's problem. There is still a law in the United States preventing a married woman from disposing freely of her property, except with her husband's permission. True, women there have been liberated in their sexual relations and have reached the highest degrees of liberation in the cinema. This liberation, however, is aimed at woman in her feminine capacity; as a worker and citizen, she still occupies second place. Again, an Arabic poet gave the best expression to this kind of thought, when he said:

Women are fragrant herbs created for us;
Who of us does not desire to smell fragrant herbs?

Women are not all fragrant herbs. Even if they were, herbs wither, and what would their fate be? This is a view of woman purely from a sexual point of view, and it must be rejected.

[Question] You say that woman is neither a devil nor a fragrant herb. Who, then, is she?

[Answer] Socialist thought holds that women is neither a devil nor a fragrant herb; rather, she is a socially and economically productive force. The

problem of women's oppression is part of the problem of class oppression. The women's problem therefore cannot be solved in isolation from the problems of society.

This is what we in the Women's Federation have been aware of since the founding of the organization in 1952. We have linked the struggle about women's issues to overall national struggle embodied in the struggle for democracy and its protection; the struggle to achieve political independence and economic liberation; the struggle to improve the life of the toiling masses by providing better living standards, education, and health services; by doing away with unemployment; and guaranteeing housing, clothing, food, drink, and all of peoples' needs. The women's problem will not be solved except by solving the country's problems.

Socialist though has laid the foundation for solving women's problems by women's going out to work and by their active participation in production and in the overall work of society. It has laid down a precondition for this: It is not sufficient that women merely go out and work; society as a whole must be liberated from any class oppression and from any production relations based on class. Thus, you find that women's liberation and equality are bound up with a classless society and with women's going out into the working place and participating. Starting from this premise, we have linked the problem of women to the problem of society. The Women's Federation has continued to struggle for the rights of women and for national and social rights, in general.

[Question] What, in general, is your assessment of the kinds of social, reformist, and charitable activity that endeavor to serve the cause of women and society?

[Answer] Among us in the Sudan, for example, we find some women's associations that concentrate on the problem of female circumcision. Indeed, this is a problem, but it is not the fundamental problem. It is something that can be considered to result from the position of women. To treat it--and to treat any problem or sickness--one cannot treat the symptoms of the sickness and leave aside the disease itself. Female circumcision is related to the illiteracy common among women, to the oppression suffered by women, and to the suspicions with which women are surrounded in their relations with men. A confusion has taken place to the effect that female circumcision is part of religion or is related to religion. Therefore, one cannot treat this problem in isolation from the treatment of the women's issue and the spreading of education and consciousness among women.

Instead of expending effort and money on treating the symptoms, we ought to treat the disease itself--illiteracy--and strive to alter the position of women fundamentally. Also in this connection, I would point to a law passed in 1946 in the Sudan to combat female circumcision. The law, however, has not succeeded, because the objective causes are still present.

We in the Women's Federation take an interest in reformist and charitable aspects in addition to political activity, because we consider ourselves a

broad-based mass organization with a strong leadership that must make use of all means of activity and forms of organization that bind it to the masses of women.

Among the charitable projects supported by the Women's Federation is the sheltering of homeless children in the capital and provinces, before they turn into criminals. Another project is an anti-illiteracy campaign in which all forces--social and political, youth, students, and teachers--participate. We also have a project for building housing complexes for young people in order to facilitate marriage. However, we have perceived from the beginning and from our own experience that charity and humanitarian or reformist activity does not solve the problem. They may relieve some of the burden and some problems, but they do not solve the women's problem fundamentally. We have reached the conclusion that opening classes to eradicate illiteracy, holding meetings, or distributing charity will not solve the problems. The Women's Federation accordingly decided to enter the revolutionary struggle, in addition to reformist and charitable sorts of activity, based on the fact that the federation's mission is to include all women, whatever their orientation, inclinations, or desires. Thus, the Women's Federation differs from other women's organizations that limit themselves to charitable and reformist forms of activity.

[Question] In what manner have you in the Women's Federation traveled this different path?

[Answer] In 1953, the Women's Federation amended its constitution, detailing the rights of women and calling for a struggle for these rights. Women, at that time, were obviously suffering from a high illiteracy rate; they did not go out to work, and then overwhelming majority of women did not participate in public life. We saw that women would not be able to realize their demands unless they possessed a weapon by means of which they could become an influential political force. Therefore, we began by demanding political rights for women, on the assumption that if women obtained their political rights, they would become a political force exerting pressure and would then be able to obtain the rest of their rights. This was the tactic that the Women's Federation followed.

Concentration was therefore on demanding political rights. In 1953, Sudanese women in fact obtained the right to vote in elections, even though this right was at the time restricted to graduates. It was a partial gain, but it gave a great boost to Sudanese women, and the Women's Federation was generally successful in having women become active in politics. One of the results was that women played a large role in political activity during the first military government and in the October 1964 revolution. In our opinion, the latter was a great turning point in the life of Sudanese women. After the victory of the October revolution, Sudanese women obtained the right to be nominated and to vote without restriction. Women embarked successfully upon the experiment and were able to enter the Constituent Assembly for the first time in the elections of 1965. Two women were nominated in those elections: one representing the Muslim Sisterhood, and myself as an independent, with the Sudanese Communist Party supporting me. She did not win, but I did. In

1953, when we amended the constitution and demanded political rights, the Muslim Sisterhood was with us in the Women's Federation. However, the Muslim Sisterhood opposed the move on the ground that it was against Islamic law. Having split from the Women's Federation, they organized a broad campaign against us on that basis. In 1965, after we obtained political rights, their outlook changed; they nominated someone and entered the elections.

This contradiction between the position in 1953 and that of 1965 shows that the problem is not Islamic law, but rather political principles and goals that conflict with the rights of women.

[Question] In light of this political view of women's rights in the Sudan, what have you in the Women's Federation contributed to the women's issue?

[Answer] The stand required after my entry into Parliament was to raise every woman's demand, regardless of whether the members of parliament supported it or not; also, this was to participate in all the discussions concerning the problems of Sudanese society, in order for me to prove that women are no less interested and concerned about the problems of their country than men. Outside of Parliament, on the other hand, we decided to turn to concentrating on the struggle for the rights of working women. We therefore formed a committee and named it the Committee To Defend the Rights of Working Women. We gave a role in it to representatives from the workers', employees', and teachers' unions, and the youth and students' unions, in addition to the Women's Federation. This committee carried on a great and wide-scale struggle in which the masses of working women themselves participated.

A famous memorandum, drawing together all the demands of Sudanese women, was presented to Parliament, the political parties, the Ruling Council (the leadership of the state), and the ministers. The trade unions, side by side with the Women's Federation, continued to work for these rights, until equality in pay was realized for working women in 1967. In February 1969, working women were granted all their rights. This remained to be included in the annual budget of the state in July 1969. Before these goals were realized, in May 1969, the coup took place. After the May revolution, the Women's Federation accordingly decided to prepare a memorandum to include all women's demands: political, economic, social, and those involving the rights of the family. We presented it to Ja'far Numayri and made it a condition for our support of him. He agreed to all of it immediately and promised to implement it. So we supported him, even as large segments of the people supported him. However, in February 1970, we held a study circle on eradicating illiteracy and on training cadres, in cooperation with UNESCO and the World Democratic Federation of Women; we invited delegations from abroad to it; and, as was our procedure in the Women's Federation at all our occasions, we invited the president of the country to open the meeting and to present his opinion on women's problems. How surprised we were when Numayri stood up before the visiting delegations to say that he would never implement the demands of women, because they were imported demands! After he finished his talk--I was president of the Women's Federation--I spoke from the podium in reply to him,

saying, "We did not support you because we liked your military uniform and medals, but because you made a promise to grant women their rights. If you go back on your promise, we are not bound to support you."

The atmosphere was electrified. On the same day, Numayri gave a reception for the visiting delegations. We went to it. He confronted me there and said that I had violated protocol. I said to him, "I am not qualified in protocol and do not know the protocols. I am a struggling woman. I do not care who it is who stands against women's rights. Even if it is the president of the country, we shall raise the banner of opposition against him."

[Question] How did the decisive confrontation between you in the Women's Federation and the previous regime take place?

[Answer] In November 1970, we held a conference of the Women's Federation and invited Numayri again. He launched a strong attack against us from the platform of the conference, and we replied in kind. Shortly thereafter, he announced the suspension of the Women's Federation. This caused a division in the leadership of the Women's Federation. Those who split left began to cooperate with Ja'far Numayri in founding an alternative women's organization--what was called "the Federation of Women of the Sudan." For our part, we announced continuation of the activity of the Women's Federation as a secret organization, and we published--secretly, for the authorities forbade its publication--the magazine SAWT AL-MAR'AH ["The Voice of Women"]. The Women's Federation raised the banner of resistance to the regime, and we began to mobilize women. Under the May regime, we led housewives' marches against high prices and marches by the families of prisoners against the state security laws, and we demanded release of the prisoners.

Among the marches we led was the famous Meridian march. At that time, the conference of the (now disbanded) Federation of Women of the Sudan was about to be held in Khartoum. Since representatives from abroad had been invited to attend it, we in the Women's Federation decided to communicate our opinion of Numayri's policies to the visiting delegations staying in the Meridian Hotel. We blocked the path of the women delegates in front of the hotel. Our march refused to allow them to comply with Numayri's invitation to a reception given that day in his home. We distributed to them a memorandum in several languages. In fact, it was not feasible for them to attend the reception, and we ruined the president's reception. As a result, the leaders of the Women's Federation were arrested and sent to Umm Durman Prison. This business of arrests was repeated during the May regime, but the Women's Federation never lowered the flag of resistance. Our concentration in the federation at that time was on mobilizing women to resist. The result was that Sudanese women for the second time participated actively in toppling a regime that did not enjoy popular support, and, with the masses of the people, they restored freedom and democracy. The Women's Federation returned, and Sudanese women obtained their political rights in the text of the provisional constitution.

[Question] What is your evaluation of the result of these situations?

[Answer] The Women's Federation is now 34 years old. In the course of this period, the federation has been able to achieve almost full equality for women with their male colleagues at work. What remains includes a maternity leave of 4 months, rather than 2 months, with pay, in addition to hours for nursing. There also remains the question of equality in the housing allowance granted to workers. We have heard that this equality will take place. There also remains the establishment of a network of kindergartens and nurseries close to workplaces, so that we can guarantee the working mother that she can place her child in trustworthy hands during work hours.

Sudanese women have obtained their political rights. We in the Women's Federation find sufficient honor in the fact that Sudanese women have boldly embarked on work as judges, engineers, doctors, lawyers, diplomats, police and armed forces officers, and a range of different fields. This proves that Sudanese women have gone beyond the reactionary idea that calls for them to stay at home. In the Women's Federation, we are now concentrating on rights involving problems of personal status and on social rignts in general. This is what impels the Women's Federation to mobilize women to participate actively in political life, so that this shall lead to a fundamental change in the life of the masses; realizing for those masses such needs of theirs as a better standard of living, education, health care, housing, and all required needs; leading to the creation of an economic structure that will achieve development and increased national income for the Sudan; and realizing the demands and needs of the masses.

[Question] At what point does the Women's Federation hold back from political activity? In other words, why does the federation not put forward in its name candidates in the general elections?

[Answer] We stress the need for the federation to avoid partisan affiliation, because that will not realize its basic goal of transformation into a mass organization. However, the federation calls on women to participate generally in the national struggle to preserve democracy and independence, for economic liberation, improvement of the citizen's life, and the transformation of women into an economic force. These are the problems on which the Sudanese Women's Federation is concentrating.

The federation includes within its membership women from the various political parties. Therefore, if a candidate were to come forward in its name, or if I, being a Communist, put myself forward as a candidate in the name of the federation, that might lead to divisions. Secondly, the federation is not a political party and does not possess the money or resources that would allow it to fund the campaign of any candidate. So the matter before us is for the federation to encourage women to exercise their electoral right, irrespective of their political directions. The Women's Federation's campaign to urge women to register to participate in the elections therefore did not concentrate on a particular group or party. Having finished the women's voter registration campaign, we asked the membership of the federation to suspend our activity for a time, in order to allow

allow every member to participate within her own party, and so that the federation would not be accused of being exploited for the benefit of a particular party. That is the reason why the Women's Federation did not participate in the election campaign.

[Question] Under what banner, then, did you enter the elections, and why?

[Answer] I entered them as a candidate for the socialist forces, i.e., the democrats, communists, and socialists in al-Barari district. True, I am a member of the Sudanese Communist Party, but I entered the elections as a candidate of these forces, not of the Communist Party, and in accordance with the local platform put forward by these socialist forces.

In my opinion, the issues are inseparable. When I joined the Women's Federation, I did not belong to the Communist Party. That was in 1952. I joined the Women's Federation on the basis of my being a Sudanese woman and on the basis that Sudanese women had a cause in the defense of which an organization had to be created. My membership in the Communist Party came later. The reason for that membership was the women's issue. I was looking for a solution to it and for a sound point of view, and that is what led me to socialist thought and to entering the Sudanese Communist Party.

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SUDAN

NATIONAL ISLAMIC FRONT REPRESENTATIVE INTERVIEWED

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[Interview with Su'ad al-Fatih al-Badawi in Khartoum; date not given]

[Text] Observers of the parliamentary elections which occurred in Sudan last April noted a new political phenomenon embodied in a preponderance of women over men among those registered to vote. The interest of women in registering was significant, conspicuous, and decisively influential in the elections. This was particularly evident in the wake of estimations that indicated that women comprise 54 percent of Sudan's registered voters.

The participation of women in the political arena is not a new phenomenon in Sudan. The latest elections, however, have made women an electoral power not to be overlooked. The intense interest of women in registering is attracting attention because this interest is not reflected in their representation in the Constituent Assembly in view of the fact that only fwo female representatives of the National Islamic Front [NIF] were successful candidates. Moreover, the number of female candidates fielded by the combined political parties does not accord with the percentage of women registered to vote. Some believe that this shortcoming occurred because political parties are still fearful of nominating a larger number of women. Others maintain that women are responsible for the shortcoming because they are reluctant to enter politics.

AL-TADAMUN met with three women known for their political activities and defense of women's causes, and spoke with them about women's issues in Sudan. They are Sarah al-Fadil, the wife of Prime Minister al-Sadiq al-Mahdi and the first woman to enter the office of the general secretariat of the Ummah Party; Dr Su'ad al-Fatih, one of two female representatives in the Constituent Assembly (parliament) and one of the leaders of the NIF; and Fatimah Ahmad Ibrahim, who was the first woman to enter parliament in the sixties and who is still very active in politics and the defense of women's causes.

Dr Su'ad al-Fatih al-Badawi is considered among the prominent female personalities in Sudan's political and public arena.

She is an outstanding journalist, was the publisher and editor-in-chief of the literary newspaper, AL-MANAR, and was the editor of the woman's section in Sudanese daily newspapers. She was also one of the founders of the

Sudanese Women's Union in 1952 and the secretary of the Women's Renaissance Society. She has participated in various media presentations and on radio and television in addition to numerous women's intellectual and cultural conferences in Sudan and abroad. She played a significant role in the opposition against the previous regime to the extent that she became subject to prosecution and imprisonment, and sought refuge with her family by leaving Sudan.

She has worked as an advisor to UNESCO regarding the education of girls in Saudi Arabia and as a specialist in education. She became the dean of the School of Academic Education for Girls in Saudi Arabia and the chairwoman of Islamic studies. She also worked as a full time researcher at the Islamic University of Umm Durman, and was a faculty member and assistant to the rector for girls colleges affairs at the United Arab Emirates University.

She was born in the thirties and studied at the University of Khartoum. She undertook advanced studies in London and received her doctorate in 1974 from the University of Khartoum.

In addition to her present activities as a leading member of the NIF, Dr Su'ad al-Fatih and another member of the Front, Hakamat Hasan Sayyid Ahmad, are the only female representatives in the Constituent Assembly (the Sudanese parliament).

Here is the text of the discussion whith AL-TADAMUN held with Dr Su'ad al-Fatih in here office in the NIF building in Khartoum.

[Question] How do you view the women's cause?

[Answer] A discussion of the women's cause leads us to a historical review of this subject. This cause began in an organized fashion in Europe following the industrial revolution. The rights of women in feudal Europe were completely repressed. A close examination of women's history and the role of women in the building of ancient societies and civilizations reveals that their role is all but discredited by men to the extent that women in Chinese society were considered dirt and filth. In ancient Indian society, women were bought and sold, and in Europe, women were treated as goods to be bought and sold prior to, and following, the industrial revolution. They had neither lot nor social status despite their effective participation in Europe's economic structure during the industrial revolution. Women were exploited for work and men collected their wages. Women thus became afflicted with frustration and bitterness. As education spread in Europe, women became aware of the fact that their circumstances were not in accord with their educational and cultural achievements and their general advancement as workers and participants. They therefore began to discuss their rights. They found no one, however, who would listen to them. Rather, men rejected and disputed their claims. They did not concern themselves with women's affairs until--of all people--women began to oppose this treatment. Women participated in marches and demonstrations. In England, they were even subjected to gunfire when they demanded their full economic and political rights.

Consequently, a bitter struggle arose between men and women. This struggle still continues in Europe today.

[Question] Why does this struggle continue to this day?

[Answer] Because laws, men and the workplace in Europe still consider women unequal to men in terms of intellectuals and economic endowments. This is even the case in politics despite the fact that women in a country such as Britain have attained positions such as queen and prime minister. In America, there is presently a fierce struggle being waged over what is teamed the "feminist movement." The most outstanding example of this was perhaps the nomination of Geraldine Ferraro in the last American presidential elections. I was given the opportunity to become acquainted with the feminist, political movement in America. I observed from close range the extent to which women consider themselves afflicted with frustration and feelings of oppression under what is considered to be one of the most politically and economically advanced systems. Women in America still struggle with men for equal pay. It is true that American law does not stipulate that the wages of women be less than those of men. In reality, however, women receive in wages approximately 75 cents per dollar compared to men according to the latest statistics which cover up until 1985. Women are therefore subject to repression and frustration. They also suffer from continual legal prosecution solely because they are women. All of these phenomena have preoccupied the United Nations. I met with the chairwoman of the women's section at the United Nations approximately 3 or 4 years ago during a women's conference in Kuwait. She was very concerned with the rights of women, children, and the working woman. This is an important indication that women who have attained a degree of technical, political, and economic advancement still have a just cause.

[Question] What about women's causes in the Eastern Bloc?

[Answer] Regarding women in the Eastern Bloc and the Soviet Union (I visited the Soviet Union in approximately 1957), my observations pertain to the situation of men there. People in the Eastern Bloc cannot openly express their opinions. The views which they do hold, however, constitute a type of oppression directed at women. Women are subject to arduous manual labor and even repression of their femininity and motherliness. Motherhood there is not respected in view of the fact that working mothers are made miserable and their children are the property of the state which undertakes their upbringing and education.

[Question] If we go beyond the situation of women in capitalist and socialist systems, what is the situation with regard to the Islamic system?

[Answer] I state with full confidence that women have no issue with Islamic laws and the tenets of the Islamic Shari'ah. Why? Because women in the Arabian peninsula suffered from repression and lack of consideration. Islam raised them to an advanced level of humanity and made them equal to men in regard to their duties and rights. It is true that there is a distinction

between men and women. If, however, we were to weigh the rights and duties of women against those of men, we would find that they are perfectly equal. This is made clear in Islam by God's exalted statement:

"O people, I created you as man and woman and made of you peoples and tribes so that you will come to know that the most precious among you in God's view are the most godfearing."

This is a fundamental and great proclamation from God, may He be praised and exalted. The decisive criterion, therefore, is fear of God and not whether one is male or female. On this basis, women were given full economic rights. These rights are still wanting in Europe given that married women there do not have ownership rights without their husbands' consent. As for women in Islam, they have their rights. They can hire, own property, make out wills, and do as they please with their wealth. Neither men nor the state can intervene in these affairs. Likewise, there is no distinction between men and women with regard to wages. Men receive a share of what they earn and women receive a share of what they earn. Each one receives his or her wages according to the measure of his or her work. There is also no distinction with regard to political rights given that God, may he be praised and exalted, clearly stated in another proclamation:

"Male and female believers are friends to one another; they bid to honor and forbid dishonor, pray, and give charity."

Women are therefore equal to men in regard to legal power, general legal capacity, and political rights. God, may he be praised and exalted, singled them out in this verse:

"O Prophet, when believing women come to thee, to take the oath of fealty to Thee; that they will not associate in worship of any other thing whatever with God; that they will not commit adultery (or fornication); that they will not kill their children; that they will not utter slander, intentionally forging falsehood; and that they will not disobey Thee in any good matter; then do Thou receive their fealty, and pray to God for the forgiveness of their sins.

Here, God, the exalted, gives women the right to be nominated as candidates and vote in addition to their full political and social rights. Women also have the right to choose their partners in life. If they are coerced in this matter, the marriage contract is considered void and they are entitled to parental rights as are fathers. Likewise, in war and peace, women have rights which are completely equal to those of men, such as the right to hire. This was stipulated when the Prophet, peace be upon him, said to Umm Hani':

"O Umm Hani', I have hired the one whom you hired..." He made this statement when Umm Hani''s brother, 'Ali bin Abi Talib, complained to the Prophet because she had hired an idolator; her brother wanted to kill the idolator so the Prophet hired him.

Women therefore have their rights, dignity, and distinction within society. They nonetheless have numerous problems which stem from the disregard of men and women for Islam, and the intellectual invasion which has pierced Islam and caused Muslims to crave ideas outside the scope of Islam. At times they discard Islam for economic ideologies. At other times they discard it for Eastern or Western political ideologies. The Muslim has gone astray and thereby produced numerous problems. For example, in Sudan, we see that working women have a problem. They have received four-fifths of the wages received by men. This is not part of Islam. Rather, it is the result of the colonialism which repressed part of society in order to create a struggle between one part of society and another. It is in the interest of colonialism that such a struggle, be it intellectual or political, exists--that there be a struggle between men and women, between blacks and whites, between the North and the South and between different factions in society. This struggle allows colonialism to perpetuate its existence, be it an actual, material existence, or an intellectual or spiritual existence. If one must distinguish between the problem and the issue, the issue is a basic, fundamental matter, and the problem is an extraneious matter produced by the exposure of both men and women to political, economic, and intellectual colonialism. In my opinion, the matter will right itself when we choose God's relevation as arbiter, and society returns to the arbitration of Islam. In this way, all of the problems created by Muslims' disregard for their religion and the Shari'ah will be eliminated.

[Question] The women's issue continues to be significant. Is it conceivable that this issue is subject to some type of political exploitation?

[Answer] It is true that women's ignorance is exploited. The Sudanese feminist movement began in the forties. Initially, it flagged. It did not gain strength until the beginning of the fifties when the intellectual orientation of women began and the Islamic movement emerged. From the outset of this movement, women demanded their full and unmitigated rights under the Islamic Shari'ah. We struggled, thank God, and strove to achieve our rights until God willed that men listen to us.

Sudanese men differ from men in the Arab world, the Islamic world, and even the world at large. God, may He be praised and exalted, granted Sudanese men a natural, innate awareness and modesty. They support women with their awareness. They do not molest women very much as was the case in other Arab countries, nor do they treat them severely as was the case in Eastern and Western European countries. Sudanese men have supported us and Muslim men have consciously stood by our side in the Sudanese feminist movement since the beginning of the Qur'an and the Sunnah. We therefore had no great difficulty in expressing ourselves to the October 1, 1964 government. That government agreed to every memorandum which we submitted to it in the name of Muslim women. I had the honor of signing that memorandum along with Rahmah 'Abdallah (the mother of al-Sadiq al-Mahdi, may she rest in peace). Our demands included equal wages, retirement benefits, housing allowances, and the right to vote and be nominated. Agreement on that memorandum was concluded with the exception of several insignificant provisas which were abandoned.

It seems to me, however, some political elements unfortunately began to exploit women and the women's cause for limited party gains. They did so by fabricating a women's issue, forcefully distancing women from their religion, and promoting the women's liberation slogan with all of its negative European connotations. They forced this slogan upon us despite the fact that we are the bearers of the world's most advanced, civilized thinking which confirms and ensures all of our rights and duties. This exploitation, known as women's liberation, was somewhat successful in its attempt to incite women against religion and give them the impression that the Marxist or liberal ideas will ensure them a better life. The consciousness of Muslim men, women, and society, however, has begun in its entirety to turn toward Islam and reject the treatment of religion as a commercial commodity vis a vis the women's cause. The astonishing results of the current elections, which prove on the basis of accurate statistics that women constitute more than 55 percent of all voters and were the significant factor in the elections, demonstrate that the viewpoint of the Muslim woman is represented in the Constituent Assembly. These are all tangible and irrefutable indications that Sudanese Muslim society has begun to reject the commercialization of the women's cause and the exploitation of this cause for Marxist party gains.

[Question] How have the indications made by you been crystalized in the formation and practices of the NIF to which you belong?

[Answer] The NIF, which was created last April 6, began as the Islamic call began--soaring on two wings: the wing of man and the wing of woman. Women are represented in all of the Front's agencies, especially in the consultative councils which are considered equivalent to parliament in relation to the state and equivalent to a safety valve in relation to the Front. These councils formulate principles and policies, and are the highest apparatus of the NIF. There are special councils for the regions, cities, villages, and urban quarters. There is also a general consultative council. In each of these councils, you will find women joyfully serving as representatives. We come next to the political and administrative agencies of the Front where we find women representatives in the political office of which I am a member. No decision is made in the political office unless women are represented there. Then there are the missionary and administrative agencies in which women also serve as representatives. The activities of women are evident in all structures of the Front and these activities are no fewer than those of men.

With regard to the Front's concern for general feminist action, there is close coordination between the Front and feminist organizations. Foremost among such organizations is the National Feminist Front. The NIF also coordinates political and volunteer work among women with youth organizations, the most prominent of which is the Renaissance Scouts. We have our volunteer Islamic work and we have our political work which finds expression in the National Feminist Front. Numerically speaking, the number of youths affiliated with the NIF exceeds two million, and there are more than one-half million women affiliated with the National Feminist Front. The National Feminist Front now has branches in all parts of Sudan, including branches in villages and neighborhoods. This network of political, social, and volunteer work among

women and youth clearly indicates that the NIF has a fundamentally clear conception of the issue of men and women, and has never made a distinction between them. Rather, it equitably promotes society through its various agencies. In reference to government, we find that the Front did not forget its women when it began to select candidates for the elections. The Front is perhaps the only party of group in Sudan which has concerned itself with women politically. It brought women to the forefront and was finally able, following a bitter struggle, to ensure a feminist viewpoint in the Constituent Assembly. We are not obligated [to sacrifice] because of Sudan--for Sudan is the beloved--and by God, if we sacrifice our blood and lives for this homeland, we would absolutely not be doing it out of obligation. This is an indication: Women in the NIF have participated in politics, social life, culture, and voluntary and charitable works. Within the Front, women now have unions for journalists and writers and are on the verge of publishing a daily newspaper entitled THE WOMAN. The NIF has no domain where women have not tread. At this point, I would like to make it clear that the NIF has unions for all of the feminine professions. In the National Feminist Front, which is the little sister of the NIF, there are unions for women engineers, doctors, teachers, veterinarians, agronomists, middle level professionals, and workers in factories and marketplaces. We are now on the verge of also establishing a union for homemakers. We wish to further promote this work so that the work that women perform as homemakers, cooks, and governoresses becomes a vocation in which women have unions, laws, and regulations supervised by the National Feminist Front. This means that our conception is comprehensive and clear to the utmost extent. Praise be to God for the NIF.

[Question] How is that vision reflected in the NIF's treatment of the issue of the nomination of women in the latest elections?

[Answer] The NIF nominated women candidates. Two of them were successful, but victory was not the ally of the third candidate in the South. At present, we hope that she and others in the South will attain the seats that they deserve in the country's legislative system following the coming elections. Perhaps the question is obvious: Why, for example, were we not nominated in the geographic districts or why were more women not nominated. The answer is that we in the Islamic Front calculated our operations very precisely. Factionalism still rules Sudanese society. We are desperately fighting to free women from the noose of factionalism, the enslavement of superstition, and the illegal domination of women by men. It is, however, a long process which requires a farsighted policy and stamina. The important thing is that two women gained victories in the initial phase. God willing, we will prepare a large number of women for the coming elections in the geographic districts. According to our calculations, women will enter the next parliament following 4 years of tireless work, the political map will change and the mentality of the Sudanese citizen, whether male or female, will change. So far, factionalism has generally controlled the mentality of men and women, and placed men above women. We Muslims in the NIF, however, always place women where God has placed them. They are bound to God's commandment pertaining to individual duty whereby they must assume responsibility for the affairs of believers and Muslims. We are therefore resolved, God willing, to increase our numbers. This is but a first step to be followed by other steps.

[Question] In view of the election results, do you expect that women will attain ministerial or constitutional posts in this government in the future.

[Answer] Mist still clouds Sudan's political climate (prior to the government's formation). It is difficult under these circumstances to predict what will happen inasmuch as we do not command a parliamentary majority. If the matter were in the hands of the NIF, the Front would place women in constitutional institutions and posts as it has done in its consultative, executive, and administrative agencies. But I hope and pray to God that the other parties do act parsimoniously toward women. Woment have served as representatives in parliament and they should also serve in the cabinet. These remarks are directed to the chairman of the Ummah Party, al-Sadiq al-Mahdi, and to the leader of Democratic Union, Muhammad 'Uthman al-Mirghani, lest they forget or disregard women.

Another remark which I shall direct to all of the political parties is that they should view women in accordance with the standards of the national situation. Women are respected and supported in this assembly, and we consider ourselves representatives of women in all of Sudan including the existing parties.

[Question] Do you consider yourself an advocate of the women's cause or a politician?

[Answer] I--God save me from the word "I"--am a Muslim. I adhere to Islam and my orientation is Islamic. I represent women in an important body (the Constituent Assembly). It is true that the NIF nominated me. I represent it and am proud of this because my orientation is that of the NIF. I consider myself a woman who represents women in a country of diverse movements, affiliations, and political parties. Because Islam has a special place for minorities, calling them "ahl dhimmah," it accorded them a distinct, legal status. They have no fewer rights or duties than Muslim citizens. I therefore consider myself a representative of all Sudanese women in regard to their concerns and problems. I would not say that we have a problem because women under Islam's protection do not have a problem. We are now on the verge of reform and the elimination of injustices and problems. We therefore represent the concerns of all women, be they animists in the South, Christians, Copts, Muslims, or members of the Ummah or Democratic Unionist parties or any other party. We call on all of our sisters to join with us in the Constituent Assembly. We have had contacts with many cross-sections of our sisters who are workers and employees. We hope to learn about everything that concerns both male and female citizens alike, and work toward a solution of their problems in the Constituent Assembly. This is our work. For this reason, our work is not limited to the problems of women. We deal with the problems of the entire society, men and women alike.

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SUDAN

ANYA NYA II LEADERS SUPPORT UNITY, OPPOSE GARANG

London AL-DUSTUR in Arabic 16 Jun 86 pp 16-17

[Article by Jamal Isma'il: "Ethiopia Does Not Want to Solve the Problem of the South"]

[Text] At a time when endeavors are being pursued at the official, party, and popular levels in Sudan to convene the constitutional conference as a main step toward solving the problem of the South, there are those who believe that Colonel John Garang, the leader of the Sudanese People's Liberation Movement (SPLM), will never go to Khartoum to take part in such a conference and sign an agreement bound to end the war and achieve stability. The proponents of this view are urging the government of Mr al-Sadiq al-Mahdi to ignore Col John Garang "because he does not represent the South and does not work for the interest of the people of the South, but rather for the interest of Ethiopia which is using him as a "card" for achieving its own interests and not Sudan's interests." These advocates are asking the government of Sudan to hold the constitutional conference without Garang and to initiate immediate steps to establish a federal rule in the South "because a federal rule is the best solution to the problem." Federal rule advocates say that this "rule" must be within the framework of a "unified Sudan" governed by a secular constitution.

These advocates are the Anya Nya II leaders. Three of them in particular--David Kakok, the secretary general; Hoth Guor Luak, liaison officer in West Europe and the United States; and Arap Achip Akok, the information officer--were interviewed by AL-DUSTUR in London. Following are the interviews' highlights which are being published out of a desire to present various points of view about Sudan's important and most serious issue, namely, the problem of the South.

In explaining their call to ignore Garang and their affirmation of the view that he will not come to Khartoum to participate in the constitutional conference on the problem of the south, the Anya Nya II leaders contend that Col John Garang is under the complete power and influence of the Ethiopian government. He carries out its orders and implements its policies that are incompatible with Sudan's interests and aims to preserve the status quo in the South.

The Anya Nya II leaders emphasize that Ethiopia, since 1975, has been trying to exploit the problem of the South for its own political ends. In March of that year, when the Akoba insurrection took place, Numayri sent his troops to quell it, thus triggering the war that led the insurgents to take refuge in the jungles close to the Ethiopian borders. These insurgents were soon joined by some southern politicians who opposed the Addis Ababa agreement and Anya Nya II was formed as an extension of Anya Nya I. The main difference between Anya Nya I and Anya Nya II was that the new organization, by virtue of the contacts that occurred bertween its leaders and the political leaders of the anti-Numayri Sudanese parties, led by martyr al-Sharif Husayn al-Hindi, adopted a policy different from the separatist policy of Anya Nya I. It believed in and adopted the policy of unified Sudan and demanded equal rights for the North and the South within the framework of a united Sudan.

Policy shifted and Anya Nya II turned into a non-separatist national movement like Anya Nya I, notwithstanding that the Anya Nya II troops were the same as those of Anya Nya I. These troops stayed in the jungles fighting the Numayri regime although they remained unknown to the outside world and only known to the Sudanese government. Meanwhile, the leaders of this organization were not on good terms with the Ethiopian authorities for the latter were helping Anya Nya II, not with a view to making it strong enough to solve the problem of the South, but to using it against the Numayri regime as a pressure card to urge Numayri to stop his support of the Eritreans. The Anya Nya II leaders discovered the reason for this containment by the Addis Ababa regime, so they declared their position, saying that they did not go to the jungle to fight for Ethiopia, but rather for the sake of their own objective and cause and the problem of the South, and the struggle began.

This state of affairs persisted until the armed insurrection in Bor in 1983 when the "Bor" inhabitants sought refuge at the Ethiopian borders near Gambela and joined Anya Nya II. The Ethiopian authorities, however, who had welcomed the John Garang group, tried to stop them and their leaders from contacting Anya Nya II leaders and a plan was drawn up to contain John Garang in the hope that he would implement Ethiopian policies which the Anya Nya II had refused to implement.

This notwithstanding, some Bor leaders managed to contact Anya Nya II leaders, thus establishing coordination between the two sides. Ethiopian authorities did not welcome such a move and intensified their efforts aimed at containing Garang, flirting with his personal ambitions to assume leadership and waving before him the possibility of unlimited support if he succeeded in getting rid of those leaders who opposed Ethiopian policies and refused to be a tool in the hands of the Addis Ababa regime.

Leaders who contacted Anya Nya II included Samuel Gai and John Akot and it was agreed to set up a single organization. Anya Nya II leaders did not object and the organization was in fact set up, but none of the Anya Nya II leaders were put in leading positions in it. John Akot was elected head of the new organization (SPLM); Samuel Gai was elected commander of its army (SPLA); and Col John Garang was elected chief-of-staff and military commander of the SPLM. However, Garang rejected the election results, and with Ethiopia's backing and aid, he used force to get rid of these leaders as well as the

leading elements in Anya Nya II who had drawn up a unified program for a united unified Sudan.

Garang thus monopolized power and leadership, placing himself at the service of Ethiopian interests. Therefore, when Numayri was toppled, it became clear that Garang would not respond to the new regime's calls for peaceful negotiations on the South and would persist in escalating the war because a solution to the problem in the South would serve Ethiopia's interests [as published].

Anya Nya II leaders say that Col John Garang directs his forces from an operations room inside Ethiopia and only goes by instructions from Addis Ababa. As for the troops in the jungles, they carry out instructions they receive via their radio station in Ethiopia. They are unaware of his policies and believe that they are fighting for the South. These forces will walk out on Garang and disregard instructions from their leaders if they are made aware of the real situation and realize that the problem has been solved and the Sudanese government has recognized the rights demanded by the people of the South. Anya Nya II leaders say that Garang does not have grass root support there and that he cannot go to the South or Khartoum because the southerners want to kill him in revenge for the crimes he has committed against them. In this regard, Anya Nya II leaders emphasize that the question is not a matter of war between the Dinka tribes, to which Garang belongs, and the Nuer tribes, which Anya Nya II represents, because most of the Garang defectors who later joined Anya Nya II belong to the "Dinka."

NOTE: An Anya Nya II leader interviewed by AL-DUSTUR, Arop Achir Luak, secretary of information, belongs to the Dinka tribes and separated from Garang toward the end of 1985 when he realized that Garang refused, at Ethiopia's urging, to talk with the new regime to solve Sudan's problem.

This notwithstanding, Anya Nya II leaders acknowledge that the southerners are now split and are fighting among themselves because of Ethiopia's support of John Garang and that if some forces have stayed with Garang it is because they have no other place to go.

Should conditions in the South stabilize and general elections are held, Anya Nya II may win a majority. What is needed now, as far as Anya Nya II leaders are concerned, is for the Sudanese government to acknowledge, via the constitutional conference or prior to its convocation, the matter of granting the South federal rule within the framework of a unified Sudan. If Anya Nya II can obtain such an agreement or a pledge, it will have the ability to turn to the southerners and establish peace and stability.

Since the Dr Hasan al-Turabi group, the National Islamic Front, alluded to this matter--federal rule for the southerners, Anya Nya II in particular, on the eve of the general elections in Sudan which brought in the current government--Anya Nya II leaders, in their interview with AL-DUSTUR, emphasized their awareness that al-Turabi was aiming to realize his idea of partitioning Sudan into a North where Numayri's and al-Turabi's "Shari'ah laws" will be enforced and a Christian or "secular" South.

Anya Nya II leaders say that al-Turabi's group has discussed this matter with them, but that such talks did not culminate in an agreement because they believe that a unified Sudan is a strong Sudan and a strong Sudan cannot exist without a secular constitution that grants the South federal rule within the framework of a strong united Sudan.

Anya Nya II leaders also say that laws enacted by Numayri and al-Turabi under the heading of "Shari'ah laws" are responsible for the deteriorating situation in the South and for the race to join Garang. When Numayri left, the people of the South thought that Garang would negotiate, but he failed to do so at the urging of the Ethiopian government. Therefore, Anya Nya II rejected Garang's position and decided to enter into negotiations with the Sudanese parties. These leaders add that Ethiopian interests are the ones that are refusing to talk out of a realization that stability in the South means continued war with the Eritreans.

Anya Nya II leaders speak with sincerity about the South and not on behalf of any other regions in Sudan. They say: "We want more than a regional rule which all southerners reject. We want a federal rule within the framework of a unified Sudan. We do not want the South divided into three regions, and we do not want Sudan to be governed by two sets of laws, one for the North and one for the South, for this means partition.

"We are against partition and for Sudan's Arabism, but we do not deny Sudan's Africanism. A strong stable Sudan can only exist through strong and firm relations with our Arab and African neighbors alike."

This is what Anya Nya II emphasizes. More clearly, they say: "We are not against Arab unity because if the Arabs are brought together under such a unity, they will have more chances for cooperation. Therefore, we want the Arabs to unite because in their unity lies Sudan's strength. Indeed, we welcome the idea of Sudan as a member of the Arab League and we demand that representation of such membership not be limited to the North!

"The people of the South are not against the Arabs or Islam. We accept none other than the Arabic language as the official language of our unified Sudan."

12502
CSO: 4504/376

SUDAN

FINANCE MINISTER DISCUSSES WORLD BANK RELATIONS

Riyadh AL-YAMAMAH in Arabic 2 Jul 86 pp 36-37

[Interview with Dr Bashir 'Umar by Mahmud Idris: "This Is How We Will Face the World Bank"; in Khartoum, date not specified]

[Text] Whereas the former minister of finance in the transitional government, Dr 'Awad 'Abd-al-Majid, chose to resign rather than stay in a position whose policy orientations did not agree with his economic convictions and preferred that his successor, Dr Sayyid Ahmad Tayfur, complete the transitional term, holding the Sudanese economy portfolio under his arm and being satisfied with just waving a stick that cannot make "soft drinks out of salted fish," as Dr 'Awad 'Abd-al-Majid put it in his last interview with AL-YAMAMAH, the successor of the afore-mentioned ministers, Dr Bashir 'Umar, the minister of finance in the popularly-mandated government, is something else.

Besides being a professor of economics at Khartoum University and a preeminent member of the national economic team in the university's academic quarters, he is one of the most brilliant economists of al-Ummah Party. He joined the Constituent Assembly as a district representative from Kordofan region.

So will Dr Bashir actually succeed in steering the Sudanese economic ship to safe shores? This question will be answered by the course of economic events during his era. In this interview, his first with an outside Arab publication, AL-YAMAMAH tries to penetrate some of his future visions on the chart of the Sudanese people's chronic woes. How did the new minister of finance answer AL-YAMAMAH's questions?

[Question] You have inherited a woe-stricken legacy in the economic portfolio which renders your mission a very difficult one. What are the broad lines of the plans aimed at containing Sudan's economic problems as you see them?

[Answer] You are right, dear brother, about the heavy legacy the ousted regime left behind, which is generally reflected in a very large budget deficit, as well as in a general economic decline in both production and consumption.

The first step is to try to determine the degree of the decline. We are in the process of collecting substantial information about the situation in its true state and about how bad it actually is. The second step is to try or to begin immediately rationalizing the use of these meager resources by auditing government agencies and institutions through the rationalization of production institutions and generally trying to rationalize public monies by putting a stop to all forms of extravagance and conspicuous consumption and marginal and unnecessary spending.

The third step is to attempt to deal with production issues on the basis that production is the magic tool that can lead Sudan out of its economic depression. The first issue we face in this direction is the current agricultural season in view of the fact that agriculture remains the main artery of the Sudanese economy. We have seriously embarked on a program to secure agricultural imports and, thank God, we have come a long way in this regard. All we need now is a good rainy season, which is around the corner, to have another successful agricultural season and achieve surpluses in many agricultural products like last year's corn surplus which we chose to sell to government-owned banks so as to secure the Sudanese people's food needs for next year. However, if we do have a good season, we will use this surplus for export to bring in hard currency.

The same thing applies to industrial imports. We are indeed making them available to esential industries, the food industry particularly, in an attempt to raise production and secure food supplies, and perhaps some time in the near future, secure a surplus for export. Certain financial aspects have been a major cause of the decline, including, for example, government borrowing from the banking system which amounts to 4 million pounds; this is an unacceptable situation which no serious and self-respecting government can allow to persist because borrowed money is used mostly to meet the payroll and is wasted on non-production aspects. We will do our best to reduce borrowing from the bank system gradually until it can be stopped in a way that does not reflect negatively on production. Some government institutions borrow as well from the bank system, but they are the ultimate losers. We are looking into this matter to determine whether it is necessary to reduce the money mass to avoid inflation or divert it to production.

We are also looking into ways to divert the bank system's attention to production capacity in the form of loans to individuals or institutions or to corporations. We will look into the matter of requiring banks in particular to offer development loans, and also into the tax system whereby new sources of revenue are devised by including tax evaders. The tax system can be self-directing by being bound to production rather than to consumption.

One issue which is not within the finance ministry's bailiwick, but nonetheless reflects on it in the form of financial responsibilities is the state of ruin afflicting the civil service in general and the severe lack of discipline, if we may. The civil service is bloated in non-productive places. The first section of the budget takes up over two-thirds of the general budget and the development budget in salaries and wages. It is unreasonable for people to live off the state. We are looking for ways to divert this huge

number of people to actual production sectors. If such matters can be rationalized, they undoubtedly will reduce the burden on the general budget.

All these are priorities, but above all there is the priority of providing food and the necessities of life at a reasonable price to put them within the reach of the people who can then devote their time to production. As you know, the council of ministers has formed a committee made up of economic sector ministers to alleviate suffering. This committee is proceeding in full swing to achieve this goal.

[Question] In a previous interview published in a local newspaper, you said that the IMF is not a "bugaboo" and that any small country can dictate its terms to it. What is your plan to contain economic fright?

[Answer] First of all, any person wishing to negotiate with another person must prepare himself for such an undertaking. This is fundamental. As I have already mentioned, we have begun the process of putting our house in order. Part of this process is to obtain information. We are pursuing efforts in collecting information and statistics that permit us to form a completly realistic view of the Sudanese economy.

Second, we are in the process of forming several special committees of academicians and executives to provide us with answers to specific questions. For example, we have an IMF committee whose function is to shed light on the history of the IMF's entry to and dealing with Sudan and the terms it used to impose such as how such terms were accepted and under what conditions and the options available to us now in dealing with it, given the international economic data as well as Sudanese economic data. We asked them to propose rational recommendations that allow us to adhere to a Sudanese vision when sitting down with the IMF. This is what we said directly to the IMF representative who is in our midst now (the time of the interview).

We said at the same time, however, as a serious and responsible government, that we will initiate radical reform in the economic field that will somewhat allow us to achieve self-reliance in food at least and in certain important aspects of our life. For when we achieve self-reliance in one aspect of economic life, we inevitably place ourselves in a better negotiating position that undoubtedly can put a distance between us and economic fright and provide us with a climate conducive to open negotiations. This is what we have told IMF and World Bank representatives, and we intend to follow this line in our dealings with them. They have talked to us about our outstanding debts and we have candidly told them that we are unable to meet the payments presently--a fact of which they are aware.

[Question] All decisions made during the transitional year have failed to attract the desired amount of remittances from Sudanese workers abroad. Is there any intention to review these decisions?

[Answer] Yes, we are determined to review all decisions related to foreign currency dealings, owing to the fact that the foreign currency sector is one of the most important economic sectors. It is basically confined to aid and grants or export revenues or remittances by Sudanese workers abroad.

Since the first two sources are semi-frozen at present, the only other source left is the remittances, hence the interest in the flow of money via this source. We believe that, with the proper policies under favorable circumstances, this flow will increase. This is our hope and indeed our intention and we will do everything that will make this wish come true.

[Question] Foreign banks operating in Sudan have turned into a phenomenon which many feel is incompatible with the country's economic reality. Are there new policies toward these banks?

[Answer] Yes, the banking sector is one of the most important economic sectors. It has a direct influence on the wheel of production and we have our own vision in this regard. The transitional government formed a fact-finding committee to study the bank system and we are awaiting the results of the investigations and the committee's recommendation which we hope to receive very shortly. We will be guided by such recommendations in adopting appropriate measures that can render this sector an aid to production and development, rather than a marginal sector that offers money to parasitic or marginal activity.

[Question] Do you intend to adopt measures with a view to checking exorbitant prices that prevent people from buying the necessities of life?

[Answer] An effort is being made currently under the supervision of a ministerial committee comprised of the ministers of finance, industry, trade, agriculture, and the governor of the Bank of Sudan, and, with regard to the national capital, the commissioner of the capital district. Some of these measures are expeditiously aimed at containing the urgent matters, but others are either medium or long term in view of the fact that the high cost of living is not a temporary problem, but one that has a supply side and a demand side and we have to deal with both sides. This is what we are doing now. As for the details of such measures, we would rather not talk about them at the present stage for this may do more harm than good.

12502
CSO: 4504/376

POLITICAL ACTIVITY IN MOSQUES EXAMINED

Tunis HAQA'IQ in Arabic 22 May 86 pp 8-11

[Article: "Who Is Practicing Politics in the Mosques?"]

[Text] The month of Ramadan is witnessing unusual activity in the mosques. The majority of worshipers are now becoming concerned with prayer, and the mosques are crowded, especially at night during the prayer at sunset and the prayer performed during the nights of Ramadan.

Recently the various political currents have taken a clear stand calling for a ban on political activity inside mosques. Mosques have begun taking in worshipers at prayer time, and up to 2230 or 2300 hours at some mosques.

In an attempt to observe first-hand this use of mosques for political propaganda, HAQA'IQ conducted an investigation at five mosques in the capital and suburbs. We tried to examine the relationship between politics and the mosques.

The Worshiper and the Professional Politician

To begin with, one must point out the great difference between the throngs of worshipers who go to the mosque to perform their religious duty and the small group which goes to the mosque top meet the throngs of worshipers and steer discussion toward political promotion and doctrinal purification. This group is made up of young people whose age ranges between 16 or 17 and 25. It is a well-known fact that this phase of youth is characterized by impulsiveness and the desire to bring out one's personality. These are quite natural phenomena, as confirmed in sociology and psychiatry alike. Political activity is centered mainly on propaganda work, in other words, the attempt to attract the greatest number of worshipers possible to political positions from religious premises. Often criticism is directed against the existing political authority, and an attempt is made to compare the era of Salafiyah government to the present one. It is also worth noting that this form of propaganda was preceded by an earlier phase of propaganda through books. These books focus on various topics, the most important of which are the basic teachings and duties of Islam (prayer, fasting, etc.), the biography of the prophet, Islam in the world, Islam and the social structure, and Islam and contemporary civilization. However, these topics are not presented in their entirety to the reader without an effort to control the cultural level of the person

concerned. This propaganda activity in the beginning was mainstay of the activity which propagandists carried out in groups before the political structure was created.

If we wish to identify the most important stages of Islamic propaganda in mosques, we find that the first begins with the words written on walls all over Tunis, "Prayer is the pillar of religion." Next comes the stage of making improvements on the doctrinal duties of Islam, and finally there is the stage of propaganda through books.

Worshipers refer to the propagandists as "Khouanjiyah" [Ikhwanjiyah]. They think that there is a big difference between real Islam, which is a religion of worship and humbleness before God, and consequently a religion of humility, and the Islam of the "Khouanjiyah" which, according to some, is a political attempt to come to power under the guise of religion. However, the same worshipers who reject the "Khouanjiyah" also approve the mosques remaining far-removed from foreigners and Western elements which invade the mosque without purity or sanctity. To the same degree that worshipers oppose the extremists and fanatics, they are offended when they think that in the name of a "Khouanjiyah" blockade, elements are trying to invade the holy place without respect for the religious feelings of the Tunisian citizen.

Most of the older worshipers have expressed this view. They have reached the age of maturity and self-confidence. They describe the "Khouanjiyah" as being "small children." When we asked why, one of them said, "They have the impulsiveness of small children, and they pass judgment with remarkable speed against anyone whose opinions differ from theirs. They always try to follow the rule: "To oppose is to know." They are fanatics and reject debate, because they are not yet filled with the true Islamic religion, the religion of humility and moderation, the religion which is peace-loving."

Some of the older people who practice their religion modestly, even in their clothing (the traditional pants and the flowing cloak), told us, "Those children have preserved only the superficialities of religion. Some of them carry walking stick on the pretext that the prophet Muhammad used a walking stick, which was a staff for preaching. They also think that they should pray differently from others by placing their hands on their chests instead of leaving their hands free, as all Muslims throughout the world do." These were the comments of worshipers at a mosque in the heart of Tunis.

Foam Has No Substance

The second mosque where we joined some worshipers was in Rades, a Southern suburb. There we did not see many clusters of people despite the tremendous number of worshipers. The reason for the small number of clusters, it seems, is the large number of mosques. Anyone can enter them, even though each mosque has its patrons.

Activity intensifies at night during the evening prayer. During the day there is no activity, neither at the noon prayer or the afternoon prayer. Activity begins 15 minutes or one-half hour before the first meal after sunset during Ramadan.

It should be noted that after the evening prayer, the prayer performed during the nights of Ramadan begins at approximately 2230 or 2300 hours.

At the Rades mosque, we did not see any circles or clusters which could be interpreted as having any political significance, even though there are a large number of Salafiyah youth in Rades. However, evidence of Islamic opposition to the Islamic Tendency Movement (MTI) is clearly visible in the young men's clothing. For the most part, they consider the MTI to be degenerate. Most of these young people approve of wearing a shirt, carrying a stick in their hand and letting their beard grow as a Sunni practice which recalls the time of the prophet.

A great number of the young people noted that the MTI is an intellectual movement and nothing else, because it is incapable of coming up with a clear political program which derives its characteristics from other Islamic programs found in other Islamic countries. In addition, it is unable to present a view of the overall contradictions which are tearing Tunisian society apart. Thus, it is an intellectual movement and nothing else. The best Islamic alternative is a militant organization such as we saw in the Muslim Brotherhood in Egypt or the Islamic Jihad in Lebanon. Foam has no substance.

Therefore it appears that the political activity which some people have observed in mosques does not go beyond the internal conflicts of the Islamic political movement in the country in general. In Tunis there are numerous political, religious organizations such as the Islamic Liberation Party and the Islamic Jihad. There are even some groups which adhere to Shi'ite and Iranian thought, as prescribed by the current Khomeyni regime. This is what an Islamic brother told us. He refuses to use the word "khouanji." "The word 'khouanji' is an attempt by those using it to make us less respected, because in fact we govern only through religious inspiration. We try to get our opinions and positions from the true Islamic religion. We have read the Sunna and what has been handed down. We know how great the difficulties we shoulder are, because society clings to models of Western civilization, and we will continue on course."

God Is With Those Who Are Patient

Here we note again that all of those who were willing to talk with us about politics in the mosque were young people, and they were the minority, even among the ranks of youth.

There was one young man whose beard was still new, although he was trying to grow it. He told us, "Why don't we practice politics in mosques? The Islamic religion is a social system, a political authority, an intellectual inspiration, and a cultural emanation. Why then do we refrain from pursuing our hold propaganda? The older worshipers consider this propaganda to be intervention in the doctrinal affairs of the individual. Above all, religion is a relationship between the creator and the created, between God the Omnipotent, the Merciful and man, who is inferior and those who call for political activity under religious cover are actually attacking authority.

They want to take power in the country. The faithful do not accept this. If they want power, let them organize a party and be active on the street. Let the mosques remain a place of worship, piety, love of God and communication with the Creator.

7811/12913
CSO: 4504/352

TUNISIA

NATIONAL LABOR UNION'S ISSUES DISCUSSED

Tunis LE TEMPS in French 2 July 86 p 2

[Article: "The UNTT: 'Increase Salaries in Accordance with Production'"]

[Text] Tunis (TAP)--Tne National Council of the Tunisian National Labor Union (UNTT), which held its periodic session on Saturday, 28 June 1986, in Farhat Hached Hall at union headquarters, under the chairmanship of Adbellaziz Bouraoui, general secretary of the organization, made known a motion which states in particular that the council:

Having listened to the speech of the general secretary and the speeches of the members of the executive bureau and of the general secretaries of the regional unions and of the federations:

- Reaffirms its adherence to the true labor movement, the Tunisian National Labor Union, founded on the principles of Farhat Hached, to redress grievances within the framework of labor union action.

It hails the commitment of the UNTT in remaining bound to those principles in all circumstances, in word and in action, and also the sincere and fruitful efforts evidenced by the executive bureau in its service to the fatherland and the labor force;

- It expresses its pride in the participation of the UNTT at the 12th Congress of the Destourian Socialist Party, which was reflected in particular in the speech of its general secretary, which received the greatest applause and was appreciated by all;

- The National Council is pleased with the recommendations included in the motions of this congress, which aim to strengthen social justice and national unity, to encourage efforts to include young persons, to guarantee permanent jobs, to perpetuate democracy, and to expand the field of participation to choices having to do with the development of the country;

- It records with pride the wise attitude adopted by the Supreme Combattant in the face of the low rate of success recorded at the baccalaureate examination;

- It recores with great satisfaction the dynamic and effective role played by the UNTT delegation at the 72d session of the ILO in Geneva;

- It praises the efforts of the UNTT delegation at the Congress of the Arab Labor Organization (March 1986 in Bagdad), and its effective contribution to the re-establishment of the truth concerning the reality of the labor situation in Tunisia.

Bearing in mind world economic difficulties and their consequences for the country, which duty impels us to confront with fairness by joining the forces of all classes of people, the National Council recommends:

- Striving for action to improve salaries in accordance with production and productivity on the one hand and to guarantee a just balance in the salary scale of workers on the other hand;

- The reform of the labor code, in order to adapt it to the economic and social development of the country.

The council also recommends that action be taken to supply the UNTT with the means needed for its activities, keeping in mind the place the UNTT occupies as a labor organization that continues to prove its dedication to the labor force and to give ever-increasing satisfaction to the latter;

- The National Council reaffirms the necessity of continuing to obtain the active participation of the UNTT in developmental plans and the determination of choices, and it calls for the presence of the organization in all sectors of the national activity of the Economic and Social Council and the boards of directors of enterprises, in order to be able to explain its views and in order to guarantee the enthousiasm needed in the application of decisions, and to strengthen national unity, as well as the invulnerability and prosperity of the fatherland.

8255
CSO: 4519/138

TUNISIA

BRIEFS

HEAD OF SAUDI CIVIL DEFENSE VISITS —Tunis (TAP)—Zine El Abidine Ben Ali, minister of interior, early yesterday afternoon received at ministry headquarters Major General Hashim Muhammad 'Abd-al-Rahman, head of Saudi Civil Defense. The latter is presently on a visit to Tunisia. Present at the interview were Khaled Kallal, chief of the departmental staff of the minister of interior, and Colonel Sadok Znaidi, chief of Civil Defense. The interview had to do with prospects for Tunisian-Saudi Civil Defense cooperation, through the expedient of an exchange of experiences and the seventh session of the General Assembly of the International Civil Defense Organization, which will take place in Tunis on next 3 and 4 July. The minister of interior decorated Gen Hashim Muhammad 'Abd-al-Rahman with the insignia of Grand Officer of the Order of Civil Defense and took this occasion to praise the profound fraternal ties that unite their two countries' political administrations and their peoples. [Tunis LE TEMPS in French 26 June 86 p 2] 8255

CSO: 4519/138

KUWAIT

ROLE OF USSR AS PEACE LOVER OR DESERTER OF ARABS VIEWED

Kuwait AL-TALI'A in Arabic 10 May 86 p 32-34

[Article by 'Adil Badri: "The Soviet People Are not Interested in Entering Other Peoples' Wars"]

[Text] The situation of deterioration and decay that the Arab nation has been experiencing is no longer confined to political, military, and economic affairs only; it has extended into the realm of culture and thought. Also, it no longer stops with official institutions, but the list of institutions that have been hoping that protection would be maintained for national, democratic, progessive favoritistm is long. However, a situation of intellectual despair has come about, which the Arab mind is experiencing in the present circumstances. If it is natural that the majority conscience deteriorated as a result of the economic, social, and political recessions, then it is likewise natural that the conscience of the elite will carry the torches of true understanding, scholarly thought, and clear perception in order to aliminate the counterfeiting conscience and extinguish every false conscience.

However, what the Arab media has experienced recently confirms that the worsening retrogression has covered two areas: the area of the great majority of the Arab people and the area of the elite, which have abandoned their role, whether intionally or not. This was evident throughout the 3 weeks following the American aggression on the Libyan Arab Jamhiriyah. The Arab press and the other media reported, quoting from Western writers, that the Soviet Union withdrew its fleet from Libyan ports hours before the American attack, that the Soviet Union did not do anything to support its ally in the area, and it was content in cancelling a meeting between Minister of Foreign Affairs Edward Shevardnadze and his American counterpart, George Shultz.

No Clash--Complete Surrender

In brief, the Western writers wanted to besmirch the image of the Soviet Union not only before the Libyan Arab people, but before the Arab people of other countries. This is a friend that is useless in a pinch, but a friend that hands over its friends as a gift to Washington in return for rapprochement with Washington. And naturally the only outcome possible is a search for the friendship of the other great power, that is, the United

States of America, and not clash with it, but endeavor to earn its approval. And since the approval of the United States comes only from obeying the American stipulations, this becomes then, to stop opposing American schemes in the area, which includes the following broad areas:

--Popularization of the Camp David model for ending the struggle in the area on Israeli terms.

--Ending all forms of opposition to the totality of American-Western penetration, be it political, military, economic or cultural, in the Arab and African areas.

--Cancelling all relations with the Soviet Union and the other countries in the socialist camp and imposing a blockade around their ships, planes, and means of communication with the other countries of the world.

--Launching a "crusader war", against the socialist concept and policies of nationalization, planning, and growth as long as they originate by way of special project, and brushing aside those who believe in socialism and call for it whether they are active in parties and organizations bearing the stamp of communism or socialism or any other stamp that stresses closing the local markets and plundering multi-natural corporations.

The United States wants the world, then, on its terms, otherwise it will not be satisfied and will not back off from its direct and indirect plots and will employ every weapon it possesses to achieve what it can. The administration of Ronald Reagan does not hide this, but attests to it all the time. It justified the strike on the Libyan Arab Jamahiriyah because of the role Col al-Qadhdhafi played in encouraging so-called terrorism, but it was not able to present one bit of evidence to confirm this. The administration has armed agents of the CIA and groups of mercenaries that fight against the desires of the Nicaraguan people on the pretext of defending the human freedom. The Reagan administration forgets, or pretends to forget, that the Nicaraguan revolution would not have succeded without the full backing given it by the Nicaraguan people. In addition to this the Western observes that witnessed the Nicaraguan elections confirmed their integrity and the complete freedom accorded to all the candidates in their various political forays.

We do not intend to disprove the viewpoint of the US because the American administration is fighting for its own interests in the world and is even prepared to use nuclear weapons to defend its plundering the riches of the Third World. But what interests us basically is the Arab who quotes what the Western media conveys as if it were settled or an informational duty that they had to undertake, without even discussing or replying to it because not one Arab writer commented on the claims of the US and the West, in defense of the Arab mentality and Arab interests. The Soviet Union is no longer that youthful state or newborn experiment that needs propaganda from the other countries of the world. For at least 70 years the socialist experience has been established in the world. It emerged from the framework as the one country to become the program for a huge camp which holds billions of people. And, thanks to its accomplishments for the peoples for whom it has struggled, having succeeded in accomodating them, it has become the hope that the

peoples of dozens of countries in the developing world, that are striving to emerge from dependency and backwardness, struggle for with the aim of progress and social justice.

Soviet Political Priorities

The defense of Arab reason, after it reached its deplorable state, makes it incumbent that the Soviet political priorities be cast upon the international sphere and upon the tasks of the developing nations in the context of these policies. Since the success of the socialist revolution of 1917 the Soviet leadership has endeavored to prevent the outbreak of war, especially on a global scale, because in war mankind forfeits its greatest accomplishments, the economy is destroyed, and millions lose their lives in wars that do not concern them at all.

On this premise, the Soviet Union withdrew as soon as its revolution succeeded from World War I, but it fought courageously and with rare, exemplary heroism in World War II because the Nazis and Fascists endeavored more than anything else to destroy the new socialist model and everything it represented as a symbol of the liberation of mankind from exploitation and shackles. The Soviet people bore the brunt of that war as tens of millions of the finest of their sons were sent to be killed, wounded, or imprisoned, and millions more became refugees, orphans, or widows. But, in return, it emerged as a strong, firm country, capable of adapting to any condition regardless how harsh and it aided in establishing the socialist experiment in several European socialist countries whose vanguards fought against the Nazis and Fascists.

Because the war cost the world a great deal at all levels despite the fact that the atomic weapon was in its early stages, the Soviet Union endeavored to create a balance of power, not subject to convulsion, in order to prevent the outbreak of another war. It succeeded in acquiring a nuclear capability within a very short time, firmly established the socialist economy, and provided a pattern for the workers' and farmers' state, which puts everyone on the same footing and gives to each person "according to his work."

Sheltered by the balance with the Western Imperialist camp, the Soviet Union gave the Third World nations the opportunity to struggle for independence, relying on support and backing from the countries of the socialist camp. Wars of national liberation developed, acting legitimately and freely for the peoples of the earth, the Soviet Union and the other socialist countries supported national liberation movements during the stages of their struggle for independence and during the stages of their free economy, so that throughout the sixties dozens of African, Asian, and Latin American countries gained independence. This would not have happened if not for the socialist camp.

The Soviet Union still supports the Third World countries that are struggling for their political, economic and social freedom without ignoring the role of the people themselves in these countries and it solely depends on the support of friends capable of settleing the war of liberation and achieving victory. Accordingly, the Soviet Union does not turn away from its

international duties, however, these duties do not give the Soviet people authorization to plunge into war on behalf of other people.

What If World War Got Started?

Therefore there is a mistake in the Arab belief about good or bad intentions. The Soviet Union should have confronted the Americans in the Gulf of Surt. A confrontation such as that could have pushed the whole world into the inferno of nuclear war, killing everything and destroying the whole Middle East before the rest of the world.

On the other hand the Libyan Arab people, and not the Soviet people, are the ones concerned with the aggression, and the burden falls on the Libyans to defend their native land and its political inclinations.

If some have the view that it was incumbent on the Soviets to confront the USA, first, blame would have to be directed at the other Arab countries which did not do a single active thing to support the Libyan Arab Jamahiriyah as it faced the American aggression. However, they placed their military and police resources to protect the American and Western embassies. These Arab countries have interests in confronting foreign influence in Arab territory. First, blame is to be leveled at the Arab media, which safeguarded its captivity of the reason and concern of the Arab in the framework of distracting, entertaining, and amusing programs presented to him in the form of serials, films, and narratives that do not express the true nature of this person or his aspirations.

At this point the Soviet Union's task, briefly, is to prevent the colonialist forces, with all the rashness and recklessness with which they are characterized, from igniting the fire of a universal cosmic war, and afford an opportunity to the peoples of the Third World and their liberation movements to achieve their political, economic and military independence, supported by the resources of the socialist camp. With this objective in mind, Soviet Comrade Mikhail Gorbachev has presented several initiatives to prevent the use of space in the arms race; to prevent an increase in the production of nuclear weapons and intercontinental missiles; to prevent their deployment and to free areas of the world from these deadly weapons; to reduce the forces of the two camps in Europe; and to clear the Mediterranean of American and Soviet warships.

The Soviet experts are quite sure that Washington will reject all these initiatives. This is what has actually happened, but nevertheless they are making every effort necessary to curb the aggressive American posture, which is aimed at the continuous subjugation of the Third World countries, and is not concerned with the safety of the world. We ask, as was contained in a speech by Soviet leader Gorbachev to the recent German Socialist Party conference, "What would be left of the human race and civilization if the Soviet Union behaved at the international level like the United States!"

In the framework of the Soviet defense of world peace, the Libyans fought with Soviet weapons and brought down five American aircraft. Libya and the Libyan people have continued to learn after studying the positives and negatives of the battle of last 15 and 16 April. So did the Soviets actually desert Libya: or did Arab reason become heedless of its affair?

12496/12951
CSO: 4404/386

NATION'S ROLE IN FOREIGN AID VIEWED

Kuwait ARAB TIMES in English 13 Jul 86 p 11

[Text]

EXETER, England, July 12 (Kuna): In the 10 years from 1974 to 1983 the Arab world received $46 billion from Arab-Opec aid donors of which well over 80 percent was provided by the Gulf states, according to a prominent British economist.

Speaking at the Exeter conference on "The Gulf and the Arab world" , the chief economist at the British Overseas Development Administration, Robert Porter, said that nearly two thirds of that money went to the front-line Arab states.

He said that the collapse of the oil market had greatly reduced the capacity of the Gulf states to provide aid.

Achievements

Since the early 1970s the GCC countries had spent enormous sums in building the infrastructure of their countries, he said.

One of the positive achievements of the aid policy had been the creation of strong development agencies in the shape of the Kuwait Fund, the Saudi Development Fund and the Arab Fund for Economic and Social Development, Porter said.

He paid special tribute to the prominent Kuwaiti role in launching these funds.

Porter said that Kuwait was the first of the Gulf states to perceive the need to establish a separate institution to handle aid efforts.

Following the oil price increase in 1974, there was an "unceasing stream of visitors from all over the developing world to the Gulf capitals seeking economic support of one kind or another", he said.

Porter indicated that Kuwait also exerted a great deal of influence over the general policies of the Arab Fund for Economic and Social Development.

Meanwhile, the conference also discussed the migrant workers remittances in the Arab world, especially those working in the Gulf.

A leading British professor, Dr. Ian Seccombe, stressed the importance of the GCC countries in absorbing a large number of those expatriates.

In 1981 non-national share of total employment ranged from 49 per cent in Oman to 59 percent in Bahrain.

In the case of Kuwait, it was 78 percent, 85 percent in Qatar and 89 percent in the UAE. Saudi Arabia absorbed by far the largest number of migrant workers, with 49 percent of the total in 1980.

/9317
CSO: 4400/232

SECURITY SEEN AS TOPMOST DUTY OF NEW CABINET

Kuwait ARAB TIMES in English 14 Jul 86 p 2

[Excerpts]

MEMBERS of Kuwait's newly-formed cabinet yesterday took the oath of office before HH the Amir.

Following the official ceremony the Amir had talks with the new ministers on issues related to the progress of Kuwait and wished them success.

Later the ministers held their first meeting, chaired by HH the Crown Prince and Premier Sheikh Saad Al-Abdullah.

Addressing the ministers Sheikh Saad listed security and economy as the main challenges. He said: "Kuwait will never succumb to terrorism and blackmail."

Realised

He told them he was sure they realised the responsibilities they had to shoulder and that they knew the government had been formed during a critical period both for Kuwait and the region.

He said the current situation was a result of both external and internal factors, but he was optimistic "that by cooperation and understanding and by sense of responsibility the government will be able to render services to fellow citizens and to solve their problems," he said.

Policies

"We have priorities in government work, and at the top of these priorities is the issue of security.

"When I talk about security, I mean what Kuwait has gone through in the past few days, explosions here and there designed to create fear and concern among citizens," he said.

"These people thought they could bend the policies of the Kuwaiti people and government chosen upon condition that they will serve their interest in the present and future.

"Our external and internal policies stem from our will in which we see the interest of Kuwait in the present and future," he said.

Sheikh Saad said Kuwait rejected all threats and would never succumb to terrorism and blackmail. "But we will follow the course drawn for us by His Highness the Amir ... the course which aims at providing greater security and greater safety for all citizens."

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CSO: 4400/232

PDRY-KUWAIT STATEMENT ON MIDDLE EAST CONFLICTS ISSUED

Kuwait ARAB TIMES in English 16 Jul 86 p 2

[Text]

KUWAIT and South Yemen have called for greater efforts to end the Iraq-Iran war, stressing that the war jeopardized the security and stability of the region.

A statement issued at the end of an official visit to Kuwait by the South Yemeni leader, Haidar Abu Bakr Al-Attas, said Kuwait and Yemen "lauded the positive reaction to all peace initiatives" to end the Iraq-Iran war.

Identical

The statement, delivered by Kuwait's Minister of State for Cabinet Affairs, Rashed Al-Rashed, said the talks led by HH the Amir and Al-Attas, dealt with Arab and international issues of mutual concern and means of promoting bilateral cooperation in all fields.

The statement said the two countries had identical views on the need to end inter-Arab differences in order to foster Arab solidarity.

The two countries reaffirmed their support for the struggle by the Palestinian people to regain their national rights and establish an independent state, under the leadership of the PLO.

Kuwait and Yemen also expressed support for all efforts to end the Lebanese crisis and restore peace and security in Lebanon under its legal authorities.

The statement said Al-Attas extended an invitation to the Amir to visit south Yemen. The invitation was accepted, the statement said.

Clear

Before leaving Kuwait Al-Attas said his talks with the Amir dealt with ways to clear the Arab atmosphere.

He said the two countries emphasised the need to boost cooperation and coordination between states of the region to safeguard the interests of their people.

Al-Attas warned that the Arab region was the target of a Zionist-imperialist conspiracy.

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CSO: 4400/232

PROMINENT ROLE IN ISLAMIC RADIO GROUP SEEN

Kuwait ARAB TIMES in English 5 Jul 86 p 4

[Text]

KUWAIT occupied a leading position in exchanging programmes among members of the Islamic Radio Stations Organization (Irso), the assistant undersecretary for financial and administration affairs at Kuwait's Information Ministry, Fahad Al-Hdaib, has said.

Financing

Al-Hdaib who was scheduled to leave for Saudi Arabia on Thursday to participate in a meeting of the organization's financial committee, executive council and the general assembly assigned the radio progamme director, Abdelrahman Alhadi to take his place for pressing reasons.

Al-Hdaib added that the organization's meetings would discuss administrative and financial reports, the work of the programmes committee as well as endorsing the 1983/85 budget and amending the regulations of the organization.

Al-Hdaib said Kuwait as head of the permanent programme and news committee of the Irso and was an active member of the administrative and financial permament committee.

Expanded

"Kuwait's Information Ministry is proud of supervising and financing the first production of the organization in the French language besides its English programmes that aim to serve Asia and African Muslims, he said.

Al-Hdaib said that 35 Islamic countries now benefitted from the organization's programmes compared to six countries when it started.

He added that the organizations' services had expanded to Islamic centers and communities abroad as well as local radio stations of member- countries.

The organization played a major role in promoting the Islamic thought and countering anti-Islamic propaganda, said Al-Hdaib.

Al-Hdaib also said Kuwait had drawn up a plan for TV programming during the fifth Islamic summit due to be held in Kuwait next year.

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CSO: 4400/231

ARAB WORLD CONSIDERED RISKY FOR INVESTMENT

Kuwait ARAB TIMES in English 5 Jul 86 p 11

[Article by Susan Litherland]

[Text]

FINANCIAL experts in Kuwait have dismissed the government's call for further investments in the Arab world, saying poor financial services and political instability pose too many risks.

But a government spokesman said investment would remain a constant factor in Kuwait's policy of economic integration with other Arab countries.

A prominent banker pointed out that Kuwaiti investors had burnt their fingers on many projects in the Arab world, including the $600 million Kanana sugar project launched in Sudan in the 1970s.

The problem he said, was at the government level: "Until investors rights are guaranteed and minimum financial services secured, the Middle East will remain a risky area."

Resources

The general manager of the Kuwait Investment Company, Hilal Al Mutairi, said: "Sudan has the resources to feed the Arab world, and Egypt has tremendous manpower, but unless they, and other Arab countries learn to manage their resources they will find it hard to attract investment."

The managing director of the government-owned Kuwait Investment Authority, Dr Fahed Al Rashed, acknowledged the difficulties, saying most unsuccessful investments had failed due to a lack of laws catering to financial institutions. But he insisted Arab countries had great potential providing infrastructures were developed.

He said Kuwait was involved in Morocco, Yemen and Sudan, over which Egypt, Tunisia and Jordan have the edge. Investment range from hotels, industry, banking, insurance and real estate.

Most of these are direct investments due to the lack of well-developed bond and stock markets.

Commitments

The main market for direct investments was in the West where long term commitments were safe from unstable financial regulations according to Al Mutairi, whose company manages portfolios for financial institutions. He said Arab direct investments were far lower in poor Arab nations than in capital exporter countries such as the GCC states, where sophisticated markets cut risks.

This contradicts normal trends whereby wealthy states use natural resources and manpower in less developed countries.

An adviser to the Bank of Kuwait and the Middle East, Johnston Evans, said private investors would not risk active investments in the Middle East,

but might plump for bank shares or real estate. However, the recent drop in asset values means that individuals seeking to maximize their returns, are unlikely to move away from the West with its affluent consumer society.

The way ahead for investing in Arab countries lies in the involvement of several Arab states on single projects. This would boost Arab cooperation, particularly important in the field of agriculture to build up food security for the Arab world, claimed Al Rashed. "We have the market, and viable cultivation and processing areas," he added.

One successful example of Arab cooperation on investments was the Summed pipeline, built in Egypt during the 1970s. The Gulf states funded 50 percent of the project at a cost of $400 million, and the returns averaged 20 percent. Its success was due to the Egyptian government's special decree guaranteeing investors' rights, according to Al Mutairi.

Regarding the policy of promoting an industrial economy in Kuwait and the GCC states, Evans said it had largely failed due to the limited local market and a lack of raw materials and management skills.

Dr. Al Rashed emphasised caution is expanding the GCC's industrial base. Instead, he said, existing projects should be consolidated and new developments must be considered on a GCC rather than a national level. These could explore possible industries for domestic consumption, particularly processing and packaging raw materials brought from other Arab countries.

A general mood of conservatism among investors was claimed by several financial experts, and the general Manager of the Arab European Financial Management Company, Michel Rozan, spoke of retrenchment and streamlining of activities among Kuwait's investment companies.

Private investors were plumping for lower returns on safe investments, he said, although within the European market, Kuwaitis felt secured to diversify to new countries. There has been a move to the German, French and Italian markets, while the most popular form of investments remain deposit and currency managed funds, stock markets and real estate.

Investors in Europe could expect average returns of 15 to 20 per cent on bonds and stock shares, and 20 to 40 percent on funds, Rozan added. Bond managed portfolios have been getting 25 per cent returns over the past two years.

Al Mutairi welcomed frequent Arab government calls for more inter-dependence with the Third World. "We are all in the same boat and our combined strength would allow us to negotiate with the West," he said.

He recommended India "with its democracy and well-established laws", and China with its "unique concept of investment", as serious candidates for Kuwaiti investments.

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CSO: 4400/231

KUWAIT

ECONOMIC TURNAROUND SEEN DELAYED AS GDP DROPS

Kuwait ARAB TIMES in English 6 Jul 86 p 11

[Text]

RECENT data on 1985 Gross Domestic Product lends fresh evidence to the view that the turn around in Kuwait economic activity is not yet in the offing. According to preliminary estimates, Gross Domestic Product, undermined by unfavourable local and international conditions, stood at KD 5,943 million in 1985, down by 9.6 per cent from the previous year. The drop was more pronounced in the oil sector which retreated by 12.9 per cent. Non-oil activities contracted by 7.6 percent to KD 2,707 million, according to Kuwait's National Bank.

Last year, crude oil exports were down by 26.2 per cent from their 1984 level of 645,000 b/d. The drop was, however, partly offset by a 14.5 per cent rise, to 476,000 b/d, in exports of refined products. The end-result was a 12.9 per cent drop in oil activities, to the exclusion of value-added in petroleum refineries which posted a positive, growth rate of 15 per cent and totalled KD 259 million.

Slowdown

According to preliminary estimates, non-oil GDP retreated by 7.6 per cent to KD 2707 million. It was largely undermined by a marked slowdown in trade, which accounts for 20 per cent of value-added in non-oil sectors. Retail and wholesale trade registered a drop of 14.9 per cent to stand at KD 542 million. Construction, with many backward and forward linkages, showed greater vulnerability to the prevailing business climate as it retreated to about KD 255 million, down by 19.8 per cent from the previous year. Value-added by financial institutions is estimated to have declined by 14.4 per cent. Activities related to transport, storage and communications — with a share of 7.3 per cent in non-oil GDP — were down by a below-average rate of 3.9 per cent. Finally manufacturing, which accounts for 9.6 per cent of value-added in non-oil sectors, witnessed a relatively limited decline of 4.2 per cent.

Consumption

GDP classification by type of expenditure shows that whereas government final consumption rose by 8.3 per cent all other expenditure items registered a negative growth. Private final consumption, which represents about half of total GDP, contracted by 13.7 per cent. Gross fixed capital formation, a key element underlying the country's growth path, registered a marked decline of 20 per cent from the previous year level of KD 1,280 million. Finally exports and imports retreated by 6.3 per cent and 7.1 per cent.

As regards the Gross National Products, it reached KD 7,330 million in 1985, down by 8.9 per cent from 1984 GNP level of KD 8,045 million. Part of the drop is attributable to a 5.6 per cent decline in foreign investment income to KD 1,387 million. Finally, GNP per capita reached KD 4,289 in 1985, a decline of 12.8 per cent from the 1984 level of KD 4,917.

GROSS DOMESTIC PRODUCT BY TYPE OF ECONOMIC ACTIVITY
(KD MILLION)

	1978			1979			1980			1981 3(A)			1982 5(A)		
	VALUE	% SHARE (B)	% GROWTH RATE	VALUE	% SHARE (B)	% GROWTH RATE	VALUE	% SHARE (B)	% GROWTH RATE	VALUE	% SHARE (B)	% GROWTH RATE	VALUE	% SHARE (B)	% GROWTH RATE
1.OIL SECTOR	5059	.	+14.5	4118	.	-18.6	2806	.	-31.9	3006	.	+10.0	2983	.	-12.9
2 NON-OIL SECTORS (C)	2388	.	+ 3.6	2620	.	+ 9.7	3192	.	+21.8	3329	.	+ 4.3	2960	.	- 6.0
-MANUFACTURING	200	9.3	+ 9.9	206	8.3	+ 3.0	231	7.6	+12.1	252	8.0	+ 9.1	259	9.6	- 4.2
-PETROLEUM REFINERIES	239	.	-33.2	136	.	-43.1	166	.	+22.1	180	.	+ 8.4	253	.	+15.0
-AGRICULT.& FISHERIES	17	0.8	3.6	28	1.1	+64.7	31	1.0	+10.7	34	1.1	+ 9.7	42	1.6	+12.6
-ELECTR.,GAS & WATER	25	1.2	- 6.0	28	1.1	+12.0	33	1.1	+17.9	39	1.2	+18.2	.	.	.
-CONSTRUCTION	229	10.2	+12.8	263	10.6	+19.6	283	9.4	+ 7.6	289	9.2	+ 2.1	255	9.4	-19.8
-TRADE (WHOLES.& RETAIL)	449	20.9	+10.1	485	19.5	+ 8.0	660	21.8	+36.1	607	19.3	- 8.0	542	20.0	-14.9
-TRANSP.,STORAGE & COMM	124	5.8	+15.2	146	5.9	+17.7	174	5.8	+19.2	193	6.1	+10.9	178	7.3	- 5.9
-FINANCIAL INSTITUTIONS	169	7.9	+24.9	216	8.7	+27.8	270	8.9	+25.0	300	9.5	+11.1	267	9.9	-14.4
-INSURANCE	15	0.7	-0.7	16	0.6	+ 6.7	18	0.6	+12.5	19	0.6	+5.5	.	.	.
-OTHER	930	43.3	+11.6	1097	44.2	+18.0	1327	43.9	+21.0	1417	45.0	+6.8	1144	42.3	.
3.NON-OIL GDP, STRICTO SENSU (D)	2149	100	+12.8	2484	100	+15.6	3026	100	+21.8	3149	100	+4.1	2707	100	- 7.6
4.GDP (1+2)	7447	.	+10.8	6738	.	- 9.5	5998	.	-11.0	6415	.	+7.0	5942	.	- 9.6

NOTES A. PROVISIONAL.
B. CONTRIBUTION TO NON-OIL GDP, STRICTO SENSU.
C. INCLUDING PETROLEUM REFINERIES PRODUCTION.
D. EXCLUDING PETROLEUM REFINERIES PRODUCTION.

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BRIEFS

EXPATRIATE LABOR FORCE REDUCTION--Kuwait is unlikely to change its present system of granting allowances and promotions to civil servants, Al Anbaa newspaper said yesterday. It also quoted responsible sources as saying the freeze on appointments in the public sector was unlikely to be lifted. Under the freeze, Kuwaitis can be appointed to administrative posts under the supplementary budget for civil service salaries and only expatriate doctors, engineers and experts where there are no Kuwaitis available can be appointed. The supplementary budget for wages in the new state budgets stands at KD 24 million for Kuwaitis and KD9 million for expatriates. The sources also said that a studies on granting study leave and scholarships to civil servants have still not been completed. [Text] [Kuwait ARAB TIMES in English 9 Jul 86 p 4] /9317

SECURITY TRAINING--A total of 38 security officers from Kuwait's Interior Ministry are currently being trained overseas. The Interior Minister, Sheikh Nawaf Al Ahmad, said that on their graduation the officers would fill key posts in line with the ministry's plan to maintain a highly-qualified staff. He said the officers were studying in the US, Egypt, Jordan and Britain. [Text] [Kuwait ARAB TIMES in English 7 Jul 86 p 3] /9317

AID TO SUDAN--Khartoum, July 5 (Kuna)--Kuwait is to contribute $2 million towards a project for the rehabilitation of over 100 post and telegraph offices in Sudan, it was announced today. The $4.6 million project, partly financed by the European Economic Community, includes the provision of equipment and staff training in addition to the introduction of an express delivery system. A delegation from the Kuwait Fund for Arab Economic Development is due to visit Khartoum on July 23 to finalize the project and sign the agreement. The express delivery system is scheduled to begin next month. [Text] [Kuwait ARAB TIMES in English 6 Jul 86 p 3] /9317

LOAN TO JORDAN--Amman, July 11 (QNA)--A number of Arab funds and banks have agreed to give loans equivalent to about KD 20.4 million to Jordan for the Zarqa River Basin project. Sources at Jordan's Planning Ministry said that the Kuwait Fund for Arab Economic Development agreed to give a loan of KD 7 million. Sources said the total cost of the project was estimated at KD 35 million. [Text] [Kuwait ARAB TIMES in English 12 Jul 86 p 12] /9317

CSO: 4400/232

LEBANON

FOREIGN MINISTRY OFFICIAL DISCUSSES FOREIGN AFFAIRS

Al-Sharigah AL-KHALIJ in Arabic 28 Jun 86 p 14

[Article: "The Presence of the Emergency Forces in the South Will Be Extended Until Next October"]

[Text] The secretary general of the Lebanese foreign ministry, Ambassador Fu'ad al-Turk is unique among government officials: If you seek him, you find him. He is a connoisseur of poetry and expert in choosing phrases. If he wrote, his words would draw the reader; if he gave speeches, he would win hearts.

In diplomacy he is transparent, without losing the characteristic of reserve that ambassadors are known for. In al-Manaqabiyah, it suffices that he keep reiterating that "I am an official of Lebanon."

He began his conversation with AL-KHALIJ by discussing somewhat sorrowfully, the deteriorating situation in Lebanon, especially the corrosion that has begun to eat away at the economic structure. He said, "Lebanon needs to have the wisest, most honorable, and most courageous people governing it." He was most diplomatic and reserved in his answers "because of the current conditions and the volatility and ambiguity of the situation and because there are more forecasts than there is information and this forces us to carry on a dialogue and wait.

In his conversation, Ambassador al-Turk praised the cooperation of the Soviet Union and its support of the Lebanese cause. He expressed his belief that the extension of the international emergency forces in the South will last until next October 17. He also expressed his hope for more support from the United States in order to enforce Resolution 425.

Concerning the position of the diplomatic corps in Lebanon, he said that they were relying on the "understanding and magnanimity of the other countries until we put this period behind us."

He also affirmed that the security arrangements that Israel is demanding cannot be guaranteed unless the Lebanese Army and the international emergency forces extend to the "borders of the two countries" and the Israeli occupation of Southern Lebanon is ended completely and definitively.

The following is a transcript of the conversation with Ambassador al-Turk.

The South and the Extension of the Emergency Forces

[Question] What is the current situation in the South? Is there a danger that the international forces will withdraw from it when they find that Resolution 425 is being implemented?

[Answer] Israel is responsible for the International Security Council's Resolution 425 not being implemented and pressure must be put on it so that the resolution may be implemented. A precise picture cannot be crystallized until after the consultations of the deputy secretary of the United Nations, Marak Golding, have been completed and the results of his trip in the region, especially those of his discussions with Israeli officials, have been reviewed. However, the abundant facts currently available to us make us almost certain that the presence of international forces in the South will be extended at least until next October 17. France, for example, has confirmed to us that it will remain there and this is very important, not to mention the fact that the Soviet Union has a positive position, which emerged in the Security Council, as is known.

For the first time, international unanimity abounds within the Council. It is true that Moscow did not use its veto in the past, but it would abstain from voting and the resolution for extension was made with a majority and not unanimously. The unanimity that occurred this time and the consensus in the Security Council, especially between the two super powers, confirms the unanimous international will to aid Lebanon and the necessity of applying Resolution 425.

[Question] What suggestions were made to get out of the situation that currently prevails in the South?

[Answer] It is difficult to answer precisely. Before, until the time that the ideas were revealed. attention was turned to Resolution 426, which was based on the report of the secretary general of the United Nations concerning his ideas as to how the international forces should be deployed in the South and the units of the participating countries distributed. This resolution (426) in my opinion is important and the secretary general may find within its framework a solution after his consultations with the members of the Security Council.

Departure of the Embassies

[Question] How can the situation resulting from the departure of the embassies from their localities in Beirut be resolved and their employees protected from the constant danger that threatens them?

[Answer] Very few diplomatic missions have left Lebanon definitively. There are embassies that have closed temporarily, while they wait for an improvement in the security situation. Some embassies are operating at the level of charge d'affaires and not ambassador. However, the overwhelming

majority of embassies are still present and if most of them have moved to safer locations, this means that there is still an embassy and consular presence. Unfortunately, international authority cannot currently extend as far as it used to be able to. We are making efforts to ensure a minimum of security to the diplomatic corps accredited in Lebanon, and not only a minimum of security, but a normal and social life, the same that is granted to the diplomatic corps in any country of the world. However, we depend a great deal on the understanding and magnanimity of other countries, so that we may put this period behind us and return to a time in which the accredited diplomatic corps in Lebanon may enjoy all the privileges, immunities, and secure conditions that enable it to carry out its work most completely.

[Question] Isn't there a plan to treat this affair within the framework of the current political situation?

[Answer] By cooperating with the army and the internal security forces, we guarantee a minimum of security and perhaps we will now enlist the aid of some modern methods in order to improve the security situation. However, the issue is not limited to the embassies, but extends outside them to guaranteeing the safety of movement to the individuals of the diplomatic missions, because we have had many complaints about the robbing of diplomats, attacks on them, the kidnapping of some of them, and the seizure of their cars. An overall improvement depends on a favorable security climate.

[Question] You have already proposed a meeting at the level of the general staff of the state and the actors themselves for the sake of putting a limit on the dangers that threaten the security of diplomats. What happened to this proposal?

[Answer] This is true. But considering the current situation of the government, it is better that I not discuss this matter. There are many things we cannot undertake.

Cooperation of the Soviets

[Question] Based on the tone of the Soviet Union concerning the situation in the South, it appears that there are initial indications of an understanding between Lebanon and the states of the Eastern bloc. What are the limits and the background of this understanding?

[Answer] I do not want to discuss the past. However, I can confirm that we are currently finding in the Soviet Union sympathy and support for Lebanon. The proof of this is that when we asked it to take a position with regard to the extension of the international forces and their financing, it complied with the request. Then, there is another position of Moscow, which is that it is not for the linking of the Lebanese crisis to the crisis of the region and it is prepared to help us to solve the Lebanese problem without regard to its ties to the regional problem. This is what I learned when I visited the Soviet Union last January. We are

exerting all our efforts to develop and deepen these relations, starting with the given that Lebanon is a member of the non-aligned movement and would like to have excellent relations with everybody and especially with the two super powers. We wish to apply the principles of non-alignment in a practical, and not just a theoretical, way.

Relations with America

[Question] With regard to Lebanese-American relations, what is the current situation since they deteriorated relative to what they were in 1982, 1983, and 1984?

[Answer] Not too long ago I said that our relations were at one time exceptional. Today they have become normal. Of course, it is not in our interest to be on bad terms with the United States and we hope that Washington at the same time will help us with the matter of the South by pressuring Israel for the sake of the enforcement of Resolution 425. This resolution, as is known, can be summarized in three parts:

1. Assurance of complete Israeli withdrawal
2. The guarantee of international security and peace
3. Assisting the Lebanese government to extend its authority to all its territory.

We hope that the U.S. will more actively support us in this area, so that Lebanon may regain its strength, independence, unity, and peace on its land as soon as possible.

The National Resistance

[Question] Lebanon has been reproached for rejecting American advice to negotiate with Israel for security arrangements in the South and this is the reason for the continuing tension in the region. Is this true?

[Answer] Any link between Lebanon and Israel must be within the framework of the truce agreement signed at Ras al-Naqurah on 3 March 1949 between the two countries under the supervision of and through the United Nations. I would like to stress here that the guarantees or arrangements that Israel demands are present in two matters:

First, when the Lebanese Army and the international forces extend to the international borders between the two countries.

Second, there are assurances from all the Lebanese players, especially those in the South, that their responsibility is resistance in order to end the occupation of the South. As for the responsibility of liberating Palestine, it is a total Arab responsibility, not only a Lebanese responsibility. Thus, we see that the national resistance in the South is a fundamental element in the liberation and the resistance shall continue until it is achieved. There is a consensus concerning the two points mentioned, which form a kind of guarantee for Israel, that is, no operations against it will occur after its complete evacuation from Lebanon.

The Arab Countries

[Question] Lebanon was blamed at one time for choosing the Syrian option. Today we are witnessing the activities of the president of the republic with regard to Tunisia, Morocco, and Algeria and the exchange of letters with Egypt. How do you interpret this opening toward several Arab camps and what are its dimensions?

[Answer] First, I believe that our option must always be the Lebanese option. As for the movement toward Arab countries, I am not the one to evaluate a matter to which the president is giving priority. However, the president has already said, "We want to have privileged relations with Syria and excellent ones will all of the Arab states and I believe that any activity in this direction is an excellent one."

[Question] Does what is happening on the international and regional horizon indicate possible solutions to the Lebanese crisis?

[Answer] I give my opinion about facts, not about predictions, and do not have an answer.

[Question] What came of Monsignor (Ashil) Silvestrini's attempts to solve the Lebanese crisis?

[Answer] Monsignor Silvestrini did not come with an initiative. He came to discover if he could make an initiative. He made the necessary contacts and it is possible, if he accepts the alternative plan, that he will begin a specific initiative on the basis of this plan's being a starting point for it.

[Question] Are there indications of renewing Lebanese-Syrian contacts?

[Answer] No comment.

[Question] What is the truth of what the newspapers have repeated concerning the existence of a European initiative?

[Answer] I know nothing about this subject. I believe that this statement is not supported by the facts.

[Question] What is your opinion about what the media has published about a certain deal between the countries of the West, and in particular Washington, Paris, and Damascus to end the problem of the captives and terrorist operations?

[Answer] I have no information to confirm this.

[Question] Are these diplomatic answers?

[Answer] No, I base my answers on the facts.

Foreign Ministry Unity

[Question] Are you satisfied with the work of the Foreign Ministry?

[Answer] Yes, I am extremely satisfied and am pleased to say that this Ministry is the organization in which the unity of the country is embodied in every sense of this word and beginning with the motto that I uttered when I first occupied the post of secretary general and that is: "I am an official of Lebanon."

[Question] There is a conflict between the president of the republic and the prime minister, who is at the same time the foreign minister. It is said that you receive contradictory instructions that confuse you. Is this true?

[Answer] Not at all. It is not true at all that there has been a doubling or inconsistency in instructions. The Foreign Ministry is completely unified and the central focus of its international contacts is currently the liberation of the South. I believe that everyone agrees on this matter and that there is no Arab Strategy.

[Question] Do you not think that the liberation of the South is a ways off, given the current international and regional climate?

[Answer] God willing, no. There is a national public will and we hope that the calls that we have made in the past to face reality will have the desired effect. The purpose is also a unified Arab strategy and we hope that the Arabs will review the subject and that a summit will be held bringing everyone together so that we may all cooperate for the sake of liberation and salvation.

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QATAR

JAPANESE EXPERTS INVITED TO SURVEY MARINE CULTURE CENTER

Dubayy KHALEEJ TIMES in English 10 Jul 86 p 2

[Text]

QATAR is taking its first steps to set up a mariculture (fish-growing) centre. The Department of Fisheries has invited two Japanese experts to survey the coastal waters and submit recommendations. Qatar is no doubt taking a leaf out of the Kuwaiti and UAE book since. Kuwait is way ahead in mariculture and the UAE set up a centre in Umm Al Quwain in 1983.

The Japanese experts have had previous experience in the Gulf. Dr Yoshimasa Enomoto, a fisheries expert with the Japanese Overseas Fishery Cooperation Foundation, worked in Kuwait for five-and-a-half years until 1976. Mr Hiromu Ikenoue, president of Fisheries and Aquaculture International, worked in Kuwait and later helped set up the UAE centre which he left in 1982. The two will remain here until July 26 to make a preliminary study on the project. Their visit was arranged through the Japanese Embassy.

It is surprising that mariculture has not already made great strides in the Gulf region, since the countries have long coastlines and need to find food resources. A beginning has been made already, with the Kuwait Institute of Scientific Research (KISR) having made a notable contribution. Mariculture is not capital-intensive. If anything, it needs labour and knowledge, neither too much money nor heavy equipment.

The KISR, which set up a commercial unit with the National Fisheries Company two years ago, has been able to find the process for artificial propagation of Gulf species such as hamour and subaiti.

"The contribution of the KISR and its findings are quite valuable for other Gulf countries. They do not have to start from sraich," Mr Ikenoue said. In the UAE, the rabbit fish is being farmed in commercial quantities of between seven and 10 tons a year. Studies and experiments have continued with other varieties.

Mariculture is ideal for the Gulf since it needs a coastal area of clear water, a good depth of over one metre and lack of pollution. Dr Enomoto and Mr Ikenoue are scouting for just such an area in Qatar. "The coastal area is unsuitable for agriculture or for most other revenue-earning projects. We could have mariculture which not only utilises an idle resource but produces high protein food, both for domestic consumption and export," Mr Ikenoue said.

Gulf waters are, of course different from other stretches of sea. The salinity here is quite high at about 38 or 45 parts per thousand, compared to 32 to 36 in Japan. The Gulf water is also warmer and is shallow. The marine life is not all that rich because nutrients are lacking, except around the Fao peninsula where the incoming waters of Shatt Al Arab keeps up a fresh supply. None of this

should discourage a mariculture industry, since there is enough marine life that has adapted to the conditions. A wide range of marine species can be cultured with care and hard work.

"Mariculture is not a capital-intensive industry but it is also high risk, since we are dealing with a living organism," Mr Ikenoue said. One of the chief considerations for propagating the fish, hamour for instance, is to grow the marine creatures on which it feeds. Before that, the centre must grow the microscopic animals that the feed itself feeds on! This process has been successfully established by the KISR.

Qatar consumes around 4,000 tons of fish every year, 70 per cent of which is caught by fishermen around the coast. The rest is imported from Oman, the UAE and Iran. Qatar can produce not only all that it nees but even export the fish if mariculture is successful. Only a certain variety of species can be propagated artifically at present, Mr Ikenoue said, since the studies of other species had to be taken up in detail. Their iife cycle, feeding habits, habitat and other characteristics have to be studied.

Japan, which has a tradition of mariculture going back to many centuries, produces some one million tons through mariculture. Almost all of it is consumed within the country. There is no saying whether fish from mariculture are tastier or otherwise than those from the high seas. "Some species are tastier when cultured, others tastier if from natural waters," Mr Ikenoue said. Hamour is not a variety peculiar to the Gulf alone, although it is the most popular in the region.

Hamour inhabits the entire Indian Ocean, as far as the southern coast of Japan where the popular variety is of the same family but slightly different.

The Gulf water has attractive quality: freedom from industrial pollution, Mr Ikenoue said. "The problem here is of oil pollution, quite heavy, but then the government is taking steps about it," he added. Gulf waters are free of most of the pollutants which spoil marine life in other parts of the world. All that will have to be done is to get rid of the oil patches.

Dr Enomoto and Mr Ikenoue found large oil patches during their survey of the coasts. They feel that oil pollution around Qatar is heavier than in other Gulf countries. "May be it is owing to the geographical position," Mr Ikenoue said. Fortunately, he added, the government was keenly aware of the problem.

/9317
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QATAR

SEWAGE PLANT IMPROVEMENT NEAR COMPLETION

Dubayy KHALEEJ TIMES in English 17 Jun 86 p 2

[Text]

DOHA — The extension of the Doha South Sewage Treatment Works is expected to be completed by December, increasing by 13,000 cubic metres the receiving capacity of the plant from about 50,000 cubic metres per day.

The larger Doha West Sewage Treatment plant, covering a population of some 100,000, is also going ahead. The site work of phase one, costing QR70 million, will be completed by December 1987. Much work remains to be done to link the plant to the sewarage network.

Mohammad Misfer Al Hajri, head of the Sewerage Department, is full of plans and ideas for the network. Apart from the treatment plant in the south, which is now the work horse for the city, there are several small package plants around Doha, at Al Khor and Umm Said among others. They are used to treat the sewage collected from comparatively isolated areas and small villages.

The extension of the Doha South plant, Mr Hajri said, is costing nearly QR37 million, split between the mechanical and electrical sections. Phase one of the Doha West will receive upto 27,000 cubic metres a day, and will be linked to the sewerage network through pipelines and pumping stations. Work costing QR38 million has been awarded for part of the pipeline.

One pumping stations will be new while another will be an old contraption that will have to be refurbished. Mr Hajri's department has prepared a master plan for using the effluent (the outflow after treatment) for irrigating gardens and farms. It is an ambitious programme requiring the cooperation of the municipality and other ministries. The sewerage department itself is part of the Ministry of Public Works.

Some 16,000 cubic metres of effluent a day is already being used to irrigate municipal gardens in Doha, including plants and flowers on roundabouts and the central shoulders of the roads. Almost 13,000 cubic metres is being flushed through a pipeline network. The rest is sent by tankers. The master plan envisages an extensive network to use the effluent from the Doha South and the Doha West treatment plants.

The sewerage department has completed the effluent supply network for a large dairy farm proposed by the Ministry of Industry and Agriculture at Rakhiya. It will be able to consume up to 120,000 cubic metres a day.

Doha's sewerage network to collect the flow from buildings needs further extension, Mr Hajri said. Seventy per cent of the city is already covered. The department has also prepared the design for the network in Wakra and is waiting for permission to implement the scheme. Ninety-five per cent of Umm Said

and 40 per cent of Al Khor have also been covered, Mr Hajri added.

Water consumption remains high in Qatar, with 0 27 cubic metres per capita, almost double that of the figure for a country such as England, Mr Hajri, a young official who holds a master's degree in engineering from the US, feels all this water flowing will have to have a proper drainage and recycling.

* * *

MEANWHILE, the Water Department of the Ministry of Electricity and Water is grappling with the problem of water wastage. Not only does it mean loss to the state because water is produced at high cost and supplied at subsidised rates, it also increases the underground water table. In fact, the rising water table has become a priority for the department.

Japanese experts have been called in to study the condition and suggest ways of pumping out the excess, apart from suggesting preventive methods. The water-table in Doha has been rising steadily, thanks to the amount of water wasted in irrigating gardens, car washing and leaks. One used to have to dig over 50 metres to strike water, an official recalled recently. Now water is struck within one metre in areas such as Mushrib and is on the surface in Rayyan.

The water department has started pilot studies to depress the water table, which otherwise damages cables, foundations of buildings and is generally the potential source of a grave problem. Drainage works have been started in southern Doha and in Rayyan to improve the network. Officials are also planning to launch a campaign to educate the public, telling them how a forgotten hose can add to the general level.

/9317
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QATAR

IRRIGATION SYSTEM IMPROVEMENT PLANNED

Dubayy KHALEEJ TIMES in English 29 Jun 86 p 2

[Text]

DOHA—An estimated 16,000 hectares of farmland is under cultivation in 850 farm holdings in Qatar. Most of this land is irrigated by precious and rapidly disappearing groundwater, the annual consumption of which, according to 1984 figures, is 94 million cubic metres (mcm).

"That is a very high rate of consumption, simply not necessary for the yield we get," says Mohammad Al Faihani, director of the Department of Agricultural and Water Research. "We should have been consuming 30 to 33mcm to keep the water balance". The department was set up in 1981 as part of the Ministry of Industry and Agriculture.

Approval awaited

Mr Faihani's principal duty has been to study groundwater sources, their recharge, farm irrigation, flooding and the implementation of steps to conserve resources. His 10-year plan to improve irrigation systems in Qatar will reduce water use and increase yield. The QR100 million plan awaits government approval. Meanwhile, the department has taken steps that move it closer to its target.

The acreage under cultivation represents only a fraction of the country's arable land. Every farm has large tracts that could be brought under cultivation, but labour, investment and returns prevent this. Farming is largely a hobby from which the owner expects little profit. The 5,000 labourers working on the farms are not trained in the proper use of water or in the farming methods required in this region.

Suitable cereals

Mechanisation is impossible because the farms are not contiguous stretches. They are mostly, in what Mr Faihani terms, a geological depression. The best soil is to be found in this depression which, according to one theory, was formed after the sea drifted away thousands of years ago. Now the contours and topography are unsuitable for mechanised farming.

Mr Faihani's department has identified several varieties of cereal which are best suited to the region. The wheat strains, for example, have been named Doha-80 and Doha-84. Experiments show that they can be made to produce a good yield with economic use of water and research has determined the amount of water required for cereals, vegetables, flowering plants and trees.

Sprinkler irrigation for cereals and fodder is considered to be the best. The department recommends rectangular pipes for vegetable irrigation, the size depending on the furrow. The bubbling system is suitable for trees such as date palms.

Groundwater at a depth of 100 to 150 metres has an increased salinity below this level, and the area near the coast, where irrigation was once possible, has been abandoned because of the depletion of groundwater. The department is trying to

discover whether proper water reservoirs can be found 1,000 metres below the surface.

Mr Faihani is now reconciled to the use of saline water for irrigation, a research station for which has been set up at Al Khor. No matter how effective the steps might be in conserving and rechargin= groundwater, the long-term solution, he believes, is to find cereals and plants that can thrive on saline water.

Number of wells

He hopes to improve the irrigation system in order to reduce water consumption, and farmers need to be educated in the use of the best methods. He has also recommended a limit on the number of wells that may be drilled in an area. Other steps relate to recharging groundwater, the irony being that while groundwater for irrigation is suffering from rapid depletion, Qatar faces the problem of a high water table where it is not wanted, in urban areas for example. This is the result of another form of wasteful consumption of supplies from the piped water system. This water from desalination plants, could be diverted to recharge the groundwater.

The department's five research stations are tackling the problem from several directions, by studying the amount of water required, identifying suitable strains of cereals and vegetables, experimenting with growing them in water, coaxing sand dunes to yield fodder as well as the use of saline water for irrigation.

Mr Faihani gained his bachelor of science (hydrology) degree from the University of Arizona.

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PEOPLE'S DEMOCRATIC REPUBLIC OF YEMEN

NATIONAL GROUPING LEADER 'ABD-AL-QAWI MAKAWI, INTERVIEWED

Cairo SAWT AL-JANUB AL-YAMANI in Arabic 15 Jun 86 p 4-7

[Interview with National Grouping Leader 'Abd-al-Qawi Makawi: "An important and momentous conversation with Makawi"; date and place not given; Cairo SAWT AL-JANUB AL-YAMANI in Arabic; monthly organ of the United National Front of South Yemen]

[Text] The magazine SAWT AL-JANUB AL-YAMANI is pleased to republish the press interview conducted by our sister publication, AL-AMAL, with brother struggler 'Abd-al-Qawi Makawi, secretary general of the National Grouping of Patriotic Forces of South Yemen. He talked about the tragic situation in our southern section, about national unity, about the reasons for our opposition to the fascist system in Aden, and about the attitude of the Arab and Islamic governments toward the question of our Yemeni people in the South. Here, then, is the text of this important conversation.

The issue of the South, after the recent events and the business of interference with understanding and interpretation that was mixed with them, the stand of the southern opposition, and what are seen as contradictions in the views [needs to be discussed]. The magazine AL-AMAL is pleased to have a role through dialogue, which it desired to set up with the southern opposition leaders, and is trying to understand what events took place in Aden which erupted on 13 January 1986, and the background to what took place and is taking place there continuously.

AL-AMAL met this month with Mr 'Abd-al-Qawi Makawi, secretary general of the National Grouping of Patriotic Forces in South Yemen. The following questions were addressed to him:

[Question] In your opinion, what exactly was the goal of the recent fighting in Aden?

[Answer] It is clear that the combat to which the southern part of the homeland was exposed was a struggle for power and centers of control between the various ruling tribes in Aden. For the sake of achieving this objective they did not care that blood would flow like rivers and the country would be completely devastated, and this is what actually happened.

For a number of years the struggle has blazed within the ruling party, and it has almost exploded several times were it not for foreign intervention. Despite the efforts made before the conference last October of the ruling party to keep the struggles bottled up, the craving for power, which had control of the rulers, let the conflicts pour out in military fashion, and they swept through the country. Those hurt were the sons of our people from among the unarmed countrymen who have nothing to do with these struggles.

Therefore it is quite clear that the struggle was not a struggle over an idea, doctrine, principle, or over values, since all these people pride themselves on embracing their Marxist-Leninist ideology. If only they would grasp the fact that anyone who embraces this doctrine has abandoned his Arab character and become an infidel. This doctrine is at war with the godly religions and portrays them as opium for the people. Also, the Soviet communist party recently issued instructions to establish a week calling for apostasy and opposition to Islam and Christianity. Has power made them blind to their religion so that they have become unbelievers? They know nothing about Marxism except that it is the gauge for nationalism and progressiveness and that anyone who is not a Marxist is a reactionary and an imperialist and is not patriotic. This is the deadly error. Oh, what profligate, inverted logic!

On our part we declare with all glory and pride that we belong to our Arab character, our legacy, our honor, our values, and our Yemeni Arab Islamic reality. We renounce all the false foreign concepts about out Muslim Arab homeland, no matter what source, color, or form!

[Question] What is the current situation in Aden today?

[Answer] The current situation in Aden is explosive and dreadful, and will continue to be explosive until the members of this one party roots out the surviving remainder of them or God executes a command that was written.

These days we hear about a terrible silent struggle between the 'Abd-al-Fatah Isma'il group and its followers and the other southern groups, and we hear about serious rifts among the party factions. We ask God to spare our country from the evil of tribal warfare and slaughter, which leaves its victims, ultimately, innocent people who have no power or strength.

As for the political situation, it is a system of Marxist-Leninist rule linked to foreign powers. No matter what kind of rulers sit on the thrones of power in Aden, they carry out the foreigner's orders. Marxism has been and is still harmful to our Muslim Yemeni people. Marxism and the party failed in the recent strife. Fighting broke out and tribal leanings erupted despite the fact that the Aden rulers held fast to Marxism.

Any system that does not work for achieving national unity between the various segments of the people as a stage toward achieving the unity of Yemen is a worthless system, to be rejected by our Yemeni people. The present system in Aden is to be rejected so long as it is tied to foreign domination, rejects national unity, and refuses to lay emphasis on achieving the unity of Yemen.

[Question] After discovering the extent of the conspiracy, can our problem in the South be considered an Arab Islamic problem? And in your opinion how must it be dealt with from the Arab and Islamic standpoint?

[Answer] Our problem in the southern area is an Arab Islamic problem because we are a Muslim Arab people. Yemen has been an Islamic country throughout history, and if the rulers in Aden, who are masters of the destinies of our people by force of iron and fire, withdraw from the Arab and Islamic world, then they are wrong! This is because our cause will remain an Arab Islamic one, and all the Arab Islamic countries know this. All the resolutions issued by the Arab League and the Islamic conferences recognize this completely and clearly, without doubt or confusion.

However, I want to say here that our cause as a Muslim Arab people has suffered neglect in years gone by because of some of the Arab, Islamic, and international circumstances, but the recent happenings have called the world's attention to it, and the methods of dealing with it have begun to change. In order for our case to stay on the front burner, and for the sake of the endeavor to rid our country of international communism and foreign domination, the nationalist forces must knock on every door, because if we are not active, then no one will know a thing about our cause if the followers of the truth are quiet.

The Arab and Islamic countries must understand that any further financial aid given to Aden will be used to buy more deadly weapons to bring about more fighting and more devastation and destruction. In addition to that, they will use these weapons to attack neighboring Arab countries and cause destruction. As for their principles, they will not change, but they will stick to them no matter what tactic they are using to polarize the Arab Gulf.

Add to this the fact that the plan and method that the system Aden is following is neither Arab nor Islamic. Therefore we must continue to demand that it be restricted, if not expelled from the Arab League and the Islamic conferences.

[Question] In your opinion what is the solution to the tragedy of our people in the South?

[Answer] The dossier of the party ruling in Aden is full of plots, terrible slaughter, and destruction, and it is not possible to settle this tragic situation except by achieving national unity. The ideal solution to the tragedy of our people in the South is establishing a national government that will stick to the fundamentals of Islamic law while taking into account the national welfare above every consideration. I can specify some bases for solving the tragedy of our cause. They are:

1--Establishing a unified, transitional, just, democratic, national government that will take its legislation from Islamic doctrine.

2--Extirpating the fanatic, paralyzed, divided elements that constitute the obstacle to the unity of Yemen as well as its development and cultural progress.

3--Preserving the teachings of our Islamic faith, putting a stop to the godless currents, and adhering to our national cultural heritage.

4--Guaranteeing freedom of opinion, thought, assembly, and expression to all people; as well as freedom to engage in political and educational work; and freedom to establish professional firms and cultural, educational, and philanthropic associations.

5--Building and developing the national army on a modern basis and enabling it to participate in the operation of building and developing far away from the peripheral struggles

6--Endeavoring quickly to achieve the oneness of Yemeni soil and working to establish the staunch, true oneness of the people on a popular, sound, democratic basis by providing a free democratic atmosphere in order for the desire of the Yemeni for reunification to be realized.

[Question] What is the role of the southern resistance in the next phase?

[Answer] The National Grouping of Patriotic Forces in South Yemen has been formed; this is an historic turn in the course of the struggle of the Yemeni people. It forms a natural extension of the will of our people in the southern part of Yemen. This was made necessary by the conditions of this phase, and was imposed by the full experience with the gall by which the national resistance forces have tackled the planted communist ruling system that controls our country by coercion and tyranny and with the power of iron and fire.

When the existence of the National Grouping was announced, its mission was announced: Raise the banners of the struggle in its manifold forms. We have been and are still, up to this point, engaged in a political struggle because of Arab and international conditions, but our main objective is the restoration to our land of its sovereignty, independence, and unity; that all measures for stability, security, and unity be taken for our people; the building of a shining future for the children of our people; and that all refugees from our nation be returned to their homeland under the auspices of a national democratic system which would be enjoyed by everyone under its protection in freedom and stability.

[Question] Who is the third party that you had in mind in the press conference held in Paris?

[Answer] It is my opinion and my understanding that the Yemeni Socialist Party is the framework under whose banner all ruling factions and elements in Aden come together. From this premise there are no parties in the system that are outside this framework. IT is true that there were, and still are fierce tribal struggles over power, but that does not mean any departure from the circle of the ruling party. Everything depends on the same party.

[Question] Does the National Grouping consider the previous system in Aden legitimate?

[Answer] The previous system in Aden was a part of the present system. Therefore, we have a quarrel with it and have opposed it in accordance with the principles in our national charter. And I state in general that the present system in the southern part is based on foreign domination and embraces principles and practices that are foreign to the values, legacy, and culture of our Yemeni nation. Therefore we will continue to do battle with it because, as a national unity force, we confirm that the restoration of Yemen's unity is the central and basic cause in the struggles of the Arab people, and its aspirations are toward horizons of a radiant future and toward building a secure, stable, democratic community.

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YEMEN ARAB REPUBLIC

PRESIDENT DISCUSSES STATUS OF THIRD FIVE-YEAR DOMESTIC GROWTH PLAN

San'a' AL-THAWRAH in Arabic 26 May 86 pp 1, 2

[Article: "At Beginning of Its 11th Ordinary Session, Permanent Committee Reviews All National and Developmental Issues and Activities in Light of Report by Brother General Secretary of General People's Congress"]

[Text] San'a'--The activities of the Permanent Committee's 11th regular session were initiated at noon yesterday under the chairmanship of brother Colonel 'Ali 'Abdallah Salih, the president of the republic, the armed forces general commander, and the General People's Congress secretary general.

After the brother president, commander, and secretary general inaugurated the first meeting's activities in the name of God and of the people, the committee heard a report from the brother General People's Congress secretary general dealing with various aspects of public activity in the period between the Permanent Committee's 10th and 11th ordinary sessions. The report dealt with the spheres of administrative and economic development reflecting live interaction with the contents of the national charter and the political action program. It touched on the accomplishments achieved in the sphere of administrative development with the purpose of enhancing performance in the administrative units, pointing out that the local cooperative development councils have been supplied with qualified administrative elements to shoulder the responsibility of managing the administrative units.

In the sphere of development planning, the report pointed out that preparations are currently underway to formulate the Third 5-year Plan, which is based on the outcome of the general population census.

The report also dealt with the efforts that have been exerted and that continue to be exerted to develop the agricultural sector and enable it to achieve the largest degree possible of self-sufficiency in agricultural production.

The report further pointed out that the first phase of construction of the dam has been completed.

Regarding oil, the report noted that the exploitation of our oil resources started with the inauguration of the first oil refinery, stressing in this regard that the revenues of this wealth will be used as a mover of the economic and social development forces and that these revenues will be employed to strengthen our people's intrinsic capabilities and to develop our country's financial resources so as to achieve an agricultural and industrial renaissance. The report further points out that during our people's celebration of the anniversary of the immortal September revolution the cornerstone will be laid for the construction of the crude oil pipeline extending 450 km from the production sites in Ma'rib al-Jawf basin to al-Sulayf Port.

The report also noted the efforts that have been exerted and that continue to be exerted to rebuild the areas damaged by earthquakes and that the first consignment of prefabricated houses was delivered to the victimized citizens last March.

Regarding the unity efforts, the report touched on the efforts that have produced numerous unionist gains and accomplishments in the various spheres of unionist action with the aim of leading the unionist procession toward the day of unity, the inevitable aspiration, fate, and destiny of our people.

In his report, the brother president, commander, and secretary general stressed that our approach toward the unity issue has been and will continue to be distinguished by a historic responsibility that overcomes all problems. We are proceeding with our brothers in the southern part with the democratic dialogue that we have followed in the unity effort under all circumstances.

Regarding the domestic activity of the General People's Congress, the report noted the efforts and activities of the specialized committees, the political enlightenment symposiums, the outcome of the sixth ordinary session of the branch congresses, and the practical steps for completion of the organizational structure of the local congresses being taken by the preparatory committee to convene the branch congresses of the local units and to elect the members of their committees. The report also touched on the efforts in the sphere of building the popular organizations and institutions in their capacity as a tributary of the efforts of the General People's Congress and an entrenchment of the democratic practices.

The report also noted the importance of the state's honoring of labor in the various work sites and noted that such honors were bestowed during our people's celebration of May Day on 1 May and that that celebration reflected how broad is the base of the popular organizations and institutions.

Regarding external activity, the report noted the efforts exerted at the foreign level and the visits exchanged by delegations of the General People's Congress and delegations representing the political organizations in the fraternal and friendly countries.

The report stressed that the soundness of our political course, whose bases and landmarks are defined by the national charter, is reflected in our firm and principled positions in our relations with the fraternal and friendly

countries and in our influential role in the regional and international organizations and in the nonaligned movement. The report notes that our country has come to hold a prominent position in the world--a position which influences and is influenced by the world in a positive movement that has eliminated forever the walls of isolation erected by the backward imamate.

In his report to the General People's Congress, the brother secretary general noted the growth and expansion of the base of the relationship between the General People's Congress and the political organizations in numerous fraternal and friendly countries, stressing that this relationship is growing constantly.

The secretary general said: These relations provide a positive inlet for careful and comprehensive familiarization with our democratic experience, with our country's role in the regional and international spheres, with our eagerness to strengthen the ties of cooperation among peoples, and with our sincere and ceaseless effort to establish peaceful coexistence and to achieve world peace and security.

The report noted that the constant visits and meetings have had their positive impact, have given good impressions of our people and our country, and have added to the respect our country has gained among the world's countries and peoples.

Concluding his report, the brother secretary general asserted that the successes achieved for our country in the various aspects of our political action encourage us to exert redoubled collective effort and put us face to face with our future responsibilities and with the need to exert efforts to achieve the requirements of a promising and prosperous future for our people and our nation. Let us have greater solidarity and greater effort and production and let us achieve an organizational interaction that is aware of its responsibilities and of the requirements of this phase under the canopy of the national charter and of the objectives of the glorious 26 September revolution.

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YEMEN ARAB REPUBLIC

CABINET DISCUSSES MERGER OF RETIREMENT AGENCIES, OTHER ISSUES

San'a' AL-THAWRAH in Arabic 8 May 86 p 1

[Article: "Cabinet Adopts Number of Decisions and Agrees To Merge Retirement Bureau with Civil Retirement Fund"]

[Text] San'a'--The cabinet held its regular session at 0900 yesterday under the chairmanship of brother 'Abd-al-'Aziz 'Abd-al-Ghani, the prime minister and a member of the Permanent Committee. After reviewing the decisions made in its previous session, the cabinet discussed the items on its agenda and adopted a number of decisions, including a decision approving the bill to amend some articles of the law concerning the creation and organization of the Agricultural Research Authority. The cabinet also approved the bill calling for merging the Retirement Office with the Retirement Fund in a single authority named the Public Retirement Authority so as to keep pace with developments in the office's and fund's activities and to be in line with similar mergers adopted by numerous fraternal Arab countries and friendly countries whose experiences in this sphere have been put to use. The new law seeks to bolster the capabilities of the Public Retirement Authority so that it may be able to deal more effectively and rapidly with the local establishments and with others in investing the fund's surplus monies, in providing the fund's services to retirees and to families of the deceased, and in developing the systems employed in the office's and the fund's activities. Moreover, the new structure of the Public Retirement Authority seeks to provide health and social services to the old and the disabled and to their families in accordance with the systems followed by the fraternal Arab countries. This law crystallizes the recommendation made by the People's Constituent Assembly and included in the minutes of the Assembly's approval of the 1985 general state budget a recommendation which called for merging the Retirement Office and the Civil Retirement Fund in a single authority. The cabinet referred the bill and the amendment to the People's Constituent Assembly so that it may complete the constitutional procedures. The cabinet also formed a special committee to discuss the working paper submitted by the Ministry of Economy and Industry on our country's investment climate and prepared in light of the Yemeni investors' conference so that this committee may examine the paper in detail and may submit a report on it to the cabinet. At the end of the meeting, the cabinet heard a number of reports submitted by the brother ministers entrusted with missions outside the country.

The first report came from the brother minister of transport and communications on his participation in the recent meeting of the 'Arabsat (Arab Space Communications Agency) General Assembly in Algeria. The report included an explanation of the results achieved by this meeting.

The second report came from the brother minister of agriculture and fish resources on his latest visit to Kuwait and his talks with brother officials of the Arab Fund for Economic and Social Development which culminated with the conclusion of a loan agreement with the fund to finance part of Wadi al-Jawf agricultural project.

The third report was submitted by the brother minister of state, the general secretary of the Higher Youth and Sports Council, and one member of the Permanent Committee on his participation in the meetings of the Union of National Olympic Committees which were held in Seoul and his participation in the two meetings of the Arab and Asian groups in the Union. The report explained the results produced by these meetings.

The cabinet also discussed the issue of official workhours during the blessed month of Ramadan and agreed that work shall begin at 1100 and end at 1500, considering that last year's experiment proved that abidance by these workhours was successful.

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YEMEN ARAB REPUBLIC

FEDERATION OF ARAB UNIVERSITIES TO HOLD CONFERENCE IN 1988

San'a' AL-THAWRAH in Arabic 10 May 86 p 1

[Article: "Our Country To Host Sixth Session of Conference of Arab Universities Federation"]

[Text] Amman--Dr Muhammad Nabih 'Aqil, the assistant secretary general of the Federation of Arab Universities, stated that the meetings of the sixth session of the Federation of Arab Universities' Conference will be held in the Yemen Arab Republic in 1988, pointing out that the session will discuss numerous issues concerning cooperation between the various Arab universities and the issue of higher education in the Arab homeland until the year 2000.

In a statement to the JORDANIAN NEWS AGENCY, Dr Muhammad Nabih 'Aqil described the results achieved by the symposium of the heads of the antiquities' and museums' sections of the Arab universities, held recently in San'a', as successful and fruitful, saying that the symposium achieved positive and constructive results that will contribute effectively to developing and expanding archaeological excavation activities and to restoring historical sites in the Arab countries. Dr 'Aqil also pointed out that the symposium adopted numerous resolutions aimed at enhancing cooperation between the antiquities' and museums' sections through scientific, cultural, and tourist utilization, through the exchange of expertise and research between these sections, and through conducting field surveys of the historical sites for the purpose of study and research and of exchanging memoranda on the outcome reached by such surveys.

Concluding, Dr Muhammad Nabih 'Aqil lauded the role played by the San'a' University administration and the good preparations the administration made for this symposium, thus contributing to the symposium's success and to its achievement of these results.

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YEMEN ARAB REPUBLIC

DESPERATE NEED FOR MEDICAL CARE IN REMOTE AREAS UNDERLINED

San'a' AL-RA'Y AL-'AMM in Arabic 12 May 86 p 1

[Article: "Open Letter to Local Council of Jahran Subdistrict"]

[Text] Esteemed brother chairman of the local council of Jahran-Anas Subdistrict:

Greetings. You have won the trust of the subdistrict's inhabitants and this is something that honors us all because you are known for your loyalty and devotion in serving the area, bringing various services to its villages and developing cooperation among their inhabitants.

We, the inhabitants of al-Qubbah Village, have been contributing to Jahran Subdistrict's cooperation since the pioneer cooperation experiment in revolutionary Yemen and the Yemen of the national charter came into existence. No inhabitant of the village fails to pay the cash shares or installments required for cooperation. Even though the majority, rather all of, Jahran Subdistrict's villages have benefited from the area's cooperation through the construction of schools and water projects, al-Qubbah Village continues until this moment to be denied the blessings of the revolution and of the cooperative projects. We don't know what is or who is the reason for this.

To get an education, the village children are compelled to travel to the neighboring villages under the blows of a burning sun or of severe cold and they get to their schools with tired bodies and exhausted comprehension capabilities. As for water, the citizens transport it from remote distances either in their vehicles or on their donkeys, thus incurring financial burdens for the fuel used or by paying at times for the purchased water. Moreover, the medical teams have not reached this village and most of the other villages even though their children are in the direst need of vaccination against communicable diseases such as measles and whooping cough. Moreover, the livestock is in need of vaccination against diseases and epidemics. In the name of every child and every citizen in Qubbat Hathith Village and in all of the subdistrict's villages, we urge the local council of Jahran-Anas Subdistrict, especially the local council chairman of whom all expect good accomplishments, loyalty, and devotion, to devote attention to this village and others in honor of the trust given by the citizens so that this council may rise to the level of the citizens' good will. God is behind all purpose.
On Behalf of al-Qubbah Village citizens,
Fawzi 'Abdallah Ahmad Husayn

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YEMEN ARAB REPUBLIC

YEMENI EMIGRANTS IN SUDAN CONTRIBUTE TO DOMESTIC GROWTH

San'a' AL-THAWRAH in Arabic 12 May 86 p 1

[Article by Abu Walid: "Yemeni Emigrants in Sudan"]

[Text] In the last quarter of the 19th century and by virtue of the difficult economic conditions experienced at the time under the canopy of the Turkish occupation, a large number of citizens from the northern part of the homeland emigrated to Aden, which was then under British occupation. They found many work opportunities in the commercial caravans engaged in maritime or supply activities. Some of the emigrants had the opportunity to get work in Europe, particularly in Britain and France, in the spheres of hard labor such as the coal mines and the steel industry. But as a result of the increasing number of such emigrants, some unemployment developed and this compelled some of the emigrants, a number of whom had already been in Europe, to head for the Eritrean shores from whence they proceeded to Alexandria and then to Europe. Because of the primitive means of transportation and of the hardships those emigrants faced, especially when traveling on beasts of burden or on foot, many of those who got tired of traveling or became sick decided to stay in the Sudanese areas which they had reached. Their decision was helped by the strong similarity between Yemen's and Sudan's customs, not to mention the simplicity and ease of life in Sudan. At the outset, those emigrants settled in Kassala and the neighboring areas, with some getting as far as Khartoum. But the major Yemeni emigration to Sudan took place in 1919 when the British imported a large number of Yemeni workers and concluded contracts with them to build al-Shaykh Barghadt Port, the present-day Port Sudan, and also to build railroads from Port Sudan to Kassala and Sannar. Yemeni emigrants thus entered Sudan via two routes: via the Red Sea by way of Sawakin and via Eritrea by way of Musawwa' and Kassala. Consequently, tens of thousands of Yemenis arrived in Sudan, exceeding the need for labor in the available spheres of work. This made some of the Yemenis seek new means of earning a livelihood in various areas and they were received with welcome by the Sudanese brothers. Moreover, the familiarity and similarity of language and religion encouraged some of the emigrants, despite the scarcity of material resources, to tie themselves to this country, to get married, to submit to the fait accompli, and to abandon the emigrant's aspiration for material profit and a quick return to the motherland. However, we must not disregard an important fact, namely that the Yemenis were able to create new businesses that had not existed previously in Sudan, such as bakeries, restaurants, and coffee shops. Some of the emigrants also engaged in agriculture and some were able to enter the small trade business.

Until 1956, the year in which the Yemeni community in Sudan was founded, this community had no unionist role or unionist framework. But in accordance with the methods applied by British colonialism under the system of supervisors, the Yemeni emigrants had shaykhs to speak for them in all of Sudan's provinces. These emigrants took part with their Sudanese brothers in the rebellion against the British occupation. At the same time, the Liberal Yemenis Organization was able to attract a large number of emigrants in Sudan, especially the prominent figures and enlightened among them. After the 1948 revolution, the emigrants split into two factions: a faction calling itself the constitutionalists and comprised of those opposing the imam [of Yemen] and another faction comprised of those supporting the imam. This created a conflict within the shaykhs organization existing at the time. This situation continued until the inception of the July 1952 revolution when the Liberals were able to set up an office in Cairo. Their fertile field was Sudan, into which the Liberals' papers, published in Cairo, were introduced. Moreover, a large number of Yemenis, especially in East and Central Sudan, rallied under the banner of Shaykh 'Abdallah al-Hakimi. AL-SALAM, a newspaper published in Cardiff, was delivered to them regularly. However, unions were founded in succession for the Yemeni communities in the various provinces of Sudan after the founding of the first union for the community in Khartoum in 1955. In Kassala, the Yemeni community union was founded in 1956 and this was followed by community unions in Port Sudan and Madani.

The founding of these community unions contributed to participation in political life inside the homeland in the form of publications issued, subscriptions collected, and symposiums held throughout the northern and southern parts of the homeland. The Liberals continued to advance financial aid and facilities and to participate actively until the inception of the triumphant 26 September revolution.

Even though many people are unaware of the pioneering and distinguished role performed by the Yemeni community in Sudan in the wake of the inception of the 26 September revolution--and I do not exaggerate when I say that I was one of these people until recently--I realized after perusing the detailed study prepared by brother Salih al-Faqih that this community's role grew considerably after the inception of the September revolution. This role was embodied in the return of a large number of the best youth immediately after the revolution to join the National Guard and in other qualified and specialized people returning to work in their fields of specialization. Moreover, the community collected tens of thousands of Sudanese pounds to support the revolution and that money was paid in installments to our embassy in Sudan. This happened in 1963, the year in which a counter emigration from Sudan to Yemen began. By the beginning of the 1980's, only a small percentage exceeding no more than 5 percent of the Yemeni expatriates in Sudan remained there. However, it is worth noting that the branch of the General Federation of Expatriates in Sudan was founded in 1977, i.e., 1 year after the founding of the General Federation of Expatriates. Direct free elections were held in all parts of Sudan and as a result, the branch's Higher Administrative Committee, headquartered in Khartoum, was formed of the administrative committees elected for the units of Khartoum, Madani, Port Sudan, al-Qadarif, and Kassala.

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FRUIT TREES SAID TO BE REPLACING QAT

San'a' AL-THAWRAH in Arabic 26 May 86 p 6

[Article by 'Ali Salih Mani' al-Naqib: "Citizens in Wadi 'Isam Uproot Qat Trees and Plant Fruit Trees"]

[Text] Wadi 'Isam area, in al-Sad Subdistrict, is located nearly 20 km south of the town of Yarim. It is an area distinguished by its charming climate and beauty and by its good-natured inhabitants. It includes a number of villages amidst which the village of Halyub is located centrally. Halyub is considered a town by virtue of the availability of services in it. Recently, a citizen opened a medical clinic in the village and this clinic is performing great and weighty services whereas in the past a sick citizen had to be taken to the town of Yarim over an unpaved road. Moreover, the village has water and electricity projects and commercial shops.

I have seen the citizens there uproot the qat trees. What has motivated me to write this note is that I visited the area at the beginning of the blessed month of Ramadan and saw some of the citizens there uprooting their qat trees, which has serious effects on our agriculture and our citizens, and replacing them with apple, orange, banana and plum trees, and other beneficial trees whose fruits they have begun to reap. With the success of their experiment, these citizens are determined to uproot the remaining qat trees and to plant more fruit trees.

Yes, I saw the citizens of the Wadi 'Isam area, with their brown arms and pure hearts, carrying hoes, shovels, axes, and other agricultural instruments and proceeding to the good and generous earth. I saw them leave behind the problems preoccupying the neighboring areas, or some of them. I saw the inhabitants of the beloved area drill and exploit more than 15 artesian wells that have turned the area into a green paradise abounding with trees and singing birds.

Thanks, O people of Wadi 'Isam. This is not strange to you, considering that your area has been called and continues to be called the green spot because your forefathers built dams whose effects continue to be felt until the present, such as Qas'an Dam and Dhi Rabi' Dam, whose praises have been sung by the Yemeni poet who said:

In the green part of Yahsub land, 80 dams gush flowing water.

Thanks and a thousand thanks to you, you who work silently and without clamor. I hope that your neighboring brothers will follow your example and the example of people like you whose fruits we eat. Through AL-THAWRAH newspaper, I urge the officials of the Ministry of Agriculture to help you with what you need and I urge the media to focus their lights on your efforts and your area. Your work will be immortalized by the generations "and say work and God, His prophet, and the faithful shall see your work." God is always true.

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YEMEN ARAB REPUBLIC

ROLE OF AGRICULTURAL LOAN BANK IN ENHANCING AGRICULTURE EXAMINED

San'a AL-THAWRAH in Arabic 26 May 86 p 9

[Article by Engineer 'Abdallah Qasim al-Unsi: "Role of Agricultural Financing in Bolstering Food Security Projects"]

[Text] Objectives of Cooperative and Agricultural Loans and Their Methods of Implementation

The bank law, issued in 1983, charts the general objectives of unifying the general course of the cooperative and agricultural loans and gives utter importance to agricultural and cooperative development. These objectives are:

A. Financing agricultural projects and related activities for the purpose of achieving the objectives of agricultural development and of enhancing the country's agricultural, livestock, and fish production (it is evident that this objective includes most of the projects that come within the framework of what may be called food security projects).

B. Strengthening the cooperative, agricultural, and vocational organizations and associations by financing their projects, regardless of whether they are agricultural, vocational, social, or developmental projects.

An examination of these two objectives that are included in the bank law makes clear how important is the bank's role in supporting the development projects in particular. It is also worth noting that the bank is translating these objectives into tangible facts by enabling the farmers to obtain the loans they need through the so-called system of payment or through the method of loan duration. According to the first system, loans are divided into:

1. Direct in-kind and cash loans.
2. Credit facilities.
3. Discount of agricultural and cooperative promisory notes. This is in addition to other guarantees.

According to the second system, the loans are divided into:

1. Short-term loans payable within a period of no more than 1 year.
2. Medium-range loans payable within a period of no more than 5 years.
3. Long-term loans payable within a period of no more than 10 years.

Accomplishments of Cooperative and Agricultural Loan Bank in Period from 1976 to 31 September 1985

A brief summary can make clear the role performed by the bank in supporting agricultural and cooperative development through the sums of money it has made available for the development of projects for animal protein production, fish production, and the production of vegetables, fruits, and other strategic crops.

The bank spent a sum of 199 million riyals to meet the need for short-term loans used to cover the operational costs of agricultural projects, such as improved seeds, fertilizers and pesticides, and the operational costs for the projects to produce palm dates, to reclaim land, to purchase and maintain small-size agricultural equipment and chicken and livestock feed and to develop cotton cultivation and cooperative projects. The bank has also spent nearly 585 million riyals for medium-term loans used for the purchase of tractors and their accessories, for chicken, sheep and cattle projects, for fishing projects, for beehive projects, for orchard development, and for transportation and storage projects, in addition to various cooperative projects.

The bank has, moreover, spent 128,000 riyals, allocated mostly for coffee trees. This means that the bank spent in the said period nearly 784 million riyals to meet the need for the above-mentioned three kinds of loans.

This is not a small or simple figure when we take into consideration our limited resources as a developing country and if we also take into consideration the other sums of money allocated for agricultural projects in the state's general budget and in bilateral loans concluded with the various Arab and international organizations and funds concerned with this sector, especially if we add to these sums nearly 60 million riyals spent by the bank in the form of guarantees to supply fodders and chicks for cooperative projects.

Bank's Executive or Field Agencies

To make it easier for farmers and cooperatives to obtain its services in the shortest way and with the simplest procedures, the bank has increased the number of its branches operating in the various parts of the republic and has opened branch offices that cover a large part of the cultivable area. So far, the bank has 14 branches and 6 branch offices, in addition to its general administration.

Sixth, Agricultural and Cooperative Bank's Role in Supporting Food Security Projects in Period from 1976 to 31 September 1985

What has been pointed out regarding the bank's accomplishments demonstrates the great role the bank has played in supporting agricultural development with large sums of capital. The support would have been bigger had the bank's available resources been greater. To sum up, the bank's role in supporting the food security projects can be demonstrated in the following paragraphs:

1. The bank has played a major positive role in altering the primitive agricultural methods by introducing the elements of modern technology, such as improved seeds, pesticides, and varied agricultural equipment. The bank has advanced nearly 2,000 loans valued at approximately 162 million riyals for tractors only.

2. The bank has helped expand the modern irrigation system, the utilization of underground water for agriculture, and the control of irrigation canals, streams, and valleys for the purpose of utilizing a bigger part of the water available for agricultural development. The bank has advanced nearly 10,000 loans valued at 261 million riyals for the various irrigation projects.

3. The bank has contributed to increasing the acreage of the cultivable area utilized by introducing modern machinery capable of utilizing the largest area possible and by advancing loans needed for reclaiming land for agricultural purposes. It has advanced nearly 3,000 loans valued at 520 riyals for reclamation purposes.

4. The bank has exerted efforts to supply animal protein from red and white meat and from fish in order to meet the increasing local consumption need for this commodity. The bank has been able so far to meet nearly 45 percent of the total local consumption needs and has advanced 209 loans valued at 70 million riyals to chicken farms, 6 million riyals for nearly 600 loans for fattening sheep and cattle, and 8 million riyals for fishing loans.

5. The bank has advanced enough aid for vegetable and fruit farms to the point where self-sufficiency has been achieved in some crops, even with a surplus in a number of crops, such as okra, which is exported to the neighboring Arab markets.

The bank has also aided the production of strategic crops, such as wheat, by assisting the farmers in the areas producing these crops, such as al-Jawf, Ma'rib, Qa' al-Haql, and al-Bawn, with the necessary machinery.

The bank's role would have been greater had the state devoted greater attention to dealing with the problems facing the progress of its developmental activity, including the following problems:

1. Paying the bank's remaining capital which is held by the government and by the General Federation of Local Development Councils.

2. Raising bank capital with additional sums so that it may be able to meet all its obligations and to cover a large part of the farmers' needs.

3. Obtaining credit facilities from local and foreign financing resources so that the bank may re-lend them on soft terms.

4. Allocating a part of the aid advanced to the state, such as the aid given to the Ministry of Agriculture and Fish Resources, by Arab and international organizations for the bank.

5. Subsidizing a part of the interest charged for the various loans so as to lighten the burden of the farmers, especially those with a limited income, in the manner followed by some Arab development banks.

6. Aiding the cooperative associations with the guarantees required for loans so that these cooperatives may obtain more money from the bank for their development projects, considering the positive role such aid will have on the level of agricultural development.

7. Exerting efforts to overcome the obstacles facing the acquisition of the right agricultural machinery at the right time and at affordable prices.

8. Helping the bank regain the monies it has advanced to the faltering governmental agricultural projects.

Finally, I hope that I have contributed with a small amount of information on the financial aspect I have dealt with and on its role in supporting the food security projects throughout the modern Yemen, especially since the time set aside for preparing lectures has been limited and insufficient for dwelling on the details.

I also thank the Southern Heights Project which has prepared all the right conditions for the convocation of this session so that it may discuss and enrich numerous issues concerning development and agriculture and may help those in charge of development and agriculture overcome many of the existing technical, scientific, and executive obstacles.

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IRAN

IRGC CHIEF ELABORATES ON PLANS 'TO FINALIZE' GULF WAR

Tehran ETTELA'AT in Persian 1 Jun 86 pp 2, 14

[Text] The Chief of the Islamic Revolutionary Guards Corps [IRGC], during a press, radio, and T.V. conference yesterday morning, outlined future plans and plans already drawn up to end the war, for journalists of the mass media and said: "We have designated this year as the fateful year, despite our conscience, with all our power and without the need for modern weaponry, we will break apart the Iraqi army and with one force made up of one million men we will do battle along the entire border, and by mobilizing industry, the technical schools, and factories will secure the provision of all our war needs."

He added: "In this connection, only 500 tooling factories in Tehran will produce 4.5 million mortar shells annually."

According to ETTELA'AT's reporter: Mr Mohsen Rezai, the Chief of the IRGC at the opening of the news conference said: "The Islamic revolution of our country is at a very fateful moment in its history, and the imposed war being waged by the powers of arrogance against our revolution is at a very sensitive and determining stage."

He added: "This year, the armed forces leadership decided to put into operation big plans for continuing the battle-plan, and we have designated this year as the fateful year."

Mr Rezai reviewed the plots of the enemies of the revolution for the journalists and said: "Following the victory of the revolution, world arrogance, especially the U.S., began fomenting plots along the border and inside our country in order to draw us back to its lap and to prevent internal reforms and transformations by the revolution in the economic, political, and administrative fields."

"The objectives of world arrogance by this action in the short-term is to prevent the active and revolutionary forces of the country from establishing a revolutionary system and government."

He added: "If we could destroy the effects left over from several decades of colonialism inside the country, the return of the West to our country would have been impossible."

"If in the fields of education, economics, politics, administration, industry, and the military we are able to destroy all the traces and remnants of western and eastern colonialism, then we will have achieved complete independence."

Mr Rezai added: "The second plan of the enemy was to make us submit to the U.S. by applying pressures and taking steps in all fields. Both great world powers were in agreement that this new revolution had a foot in the political geography of the East and the West, given the existence of billions of Muslims under the colonialism of these two superpowers, and would bring about great transformations. They intended to cooperate on a policy towards us, but they needed a gendarme. Even before the completion of the revolution, the gendarme (Saddam) was ready to lead the Arab people and dominate the northern Persian Gulf. He took on this new assignment and became the center and focus of plots against our revolution."

The Chief of the IRGC said: "We in the first phase of confrontation with the Ba´athist enemies tried to create a free Islamic country, and in the second phase, until now, we on our part have only been conducting a war of resistance."

"Because, among the objectives of the revolution, were the continued transformations and internal plans for the country, one of the pressing weaknesses, was the revolutionary forces. But we did not take action in these ares so that we could use all our power in the war. Since the battle-cry was for a war of resistance and to topple the Ba´athist Party, we conducted a war of resistance."

The Chief of the IRGC said to the journalists: "The superpowers recognize nothing but power, and if we till yesterday were waging a war of resistance, today we are embarked only on the road to victory in the war, mobilizing all the resources of the country and the people."

"It is necessary that all our people, and all those outside our country be aware that Saddam and the U.S. are saying today the very same things they said on the first day in Khorramshahr."

"In those days, they were saying: You must come to a world gathering and submit to us and become a part of the U.S. (nation). And via an agreement called a peace agreement, to open the way for the U.S. to return again to our country. Using policies of deceit, which in the history of our country used to take place, pressured us daily through border threats and thus obliged us to cooperate with the rest of their non-military policies."

"Reagan today says ´Only through war can we get cooperation from others, and get back the power we lost."

"A peace agreement between us and Saddam would mean the return of the U.S. to our country."

He added: "Now that our brave fighters have Faw in their hands, the world is once again repeating those first words."

Human Resources of Both Countries Must Be Used In War

The Chief of the IRGC added: "Our intention was not to engage in a totally deceitful war, turn away from economic transformations, and expend all our resources on the war. In the Faw area, our fighters--150,000 of them--went up against 700,000 and fought, and on the Kheybar Islands it was the same thing. Therefore, it was clear that we were continuing to fight a war of resistance. But, today we have arrived at a sensitive point, and despite the heartfelt, moral, humanitarian wishes of our people, we have no other alternative but to engage the entire fighting capability of our people in the war. If yesterday, we were able to bring about the epic story of Faw with 150,000 men, will it not be possible with ten times that number of forces on Faw to break up the Iraqi army so that no forces will be able to resist our people?"

"Did we not fight on Faw with one tenth of the equipment of the Iraqi army? If now, throughout the border we deploy a force of several million men, will Iraq be able to endure?"

Mr Rezai, with regard to the cooperation between the Army and the Revolutionary Guards said: "We have set up a joint staff at the division level between the Army and the Revolutionary Guards which in the history of the war is unprecedented. This arrangement is in the process of being expanded."

Mr Mohsen Rezai with regard to coordination with forces operating inside Iraq said: "The use of forces inside Iraq is one of our new plans. At special times, and at specific locations, predetermined targets will be designated. In this new plan, there will be a series of regular actions and a series of vital irregular actions leading to total warfare."

Needs Of The Guards

In conclusion, the Chief of the IRGC told the journalists: "To declare their readiness, the people can fill out the form "Duty Appointment" and at each stage we will inform the people about our needs and the results. But, for now, the brothers who are on call and the groups that were in the fighting Basij must report promptly to the Revolutionary Guards camps to determine their dispatch date."

"In like manner, those forces which can be called up as a platoon, and groupings which see themselves as trained, should also report to the Revolutionary Guards centers."

"The brothers in the factories of the country capable of producing munitions and weapons should report to the Khatem ol-Anbia (military) center whose Director is acting on behalf of the armed forces leadership

guiding the Revolutionary Guards and Army forces. He (the Director) will instruct the army and the Revolutionary Guards to report to that center. Soon, that center, using information from all the forces, will call on those specializing in producing munitions, and those who have weaponry skills, and/or brothers who can be instructors for the army, Revolutionary Guards, or Basij forces in the garrison, to determine how they can participate. The needs of the battle fronts will be made known in this way."

The Chief of the IRGC said: "Until yesterday we used two percent of our manpower and twelve percent of the country's economic resources. The Imam has ordered that all must serve in the war, the decision has been made by the Director of the Khatem ol-Anbia center (who is acting for the armed forces), and instructions have been given to the Revolutionary Guards and to the army to prepare themselves for a great battle. We must make the war completely a people's war, and tap all the resources of the government and the people for the war."

Making All Aspects of the War a People's War

The new plan of the Revolutionary Guards will be announced to the people on Jerusalem Day. While up until yesterday two percent of our manpower was used, the number will be significantly increased and the fate of the war will be determined soon, during this year, by these magnificent forces of the people.

The Chief of the IRGC told the representatives of the media: "Starting today we are turning over to the people much of the war work, military training has been set up at mosques, factories, and schools."

"If until yesterday we went to the front with a limited number of forces, today tens of thousands of people across the country with the assistance and resources of the government and with the cooperation of revolutionary organizations, Islamic centers, Muslim clerics and Friday imams all will set their hands to the task to prepare the ground for a very great battle."

Basij, Factories, Technical Schools Are Actively Producing Munitions

Mr Rezai said: "In cooperation with the Education and Training establishment, all the technical schools will begin to produce munitions and military equipment. All the factories which until yesterday were involved only on the economic production front, today will also carry weapons on their shoulders and make weapons."

As an example of making the war a people's war, he said: "In the province of Tehran there are 10,000 tooling factories and we have reached an agreement with 500 of them to produce, on a monthly basis, 450 thousand mortar shells, which would be 4.5 million mortar shells per year. That is to say, with these units of production the Revolutionary Guards and army can have six-times the military production in weapons. If all the country's industry starts to produce munitions, we will no longer be faced with shortages in munitions.

Establishment of a Garrison in Tehran by the People

The Chief of the IRGC added: "In one section of Tehran the people and the Muslim clergy are busy establishing a military garrison to absorb the forces of the people, and after the necessary training these people's forces can take their place alongside the Islamic fighters." He added: "If tis takes place in all the other parts of the country, the war capacity (of the country) will reach high levels, and the people who until now were resisting will achieve this result: in order to prove true the aims of the great leader and for the complete independence of the country, there is no other road but to conduct the war with greater power than heretofore to bring the war to an end in complete victory. The only way is to make the war a people's war."

The Chief of the IRGC added: "In this imposed war we do not need modern aircraft and advanced tanks. If we can activate our population which is four times that of the Iraqi forces, using light and medium sized equipment, then, God willing, with ease what we accomplished at Khoramshahr, Faw and...we can with ease prevail over the enemies and succeed."

The Chief of the IRGC said: "Starting today we are on the threshold of making this completely deceitful war a people's war. The only road to end it victoriously is this road."

Presence of Active Sisters

The Chief of the IRGC with regard to the presence of the sisters in the war said: "In some parts of industry, production and technical sectors, the sisters can participate. The presence of sisters on the field of battle has been programmed and in case of great need, will be put into effect." Brother Rezai added: "This year ten times more troops than in the past will move to the fronts."

"But the administrative duties of the country will be turned over to our dear sisters--that is, in the factories, schools, and...the sisters will find an active role."

Current Front Situation

The Chief of the IRGC, with regard to the current situation at the fronts said: "The Iraqi forces, in order to prevent al-Fajr 10 operations, tried their hand at passive operations so that our gallant forces would get bogged down and do battle at a time and place chosen by them (the Iraqis)."

He added: "Prior to the Faw operations, the Iraqis did not apply this type of action because they had lulled themselves into believing that the war had become deadlocked. They did not believe that, with a world of espionage at their disposal, they could be surprised and surfer a severe defeat. The victory of the Islamic forces in the Faw area shook up the forces of the

enemy, as well as the political and military leadership of Iraq. From time to time they launch follow-up movements which are badly defeated. Today, our fighters in the Faw area are busy with defensive actions. The Islamic forces are preparing themselves to launch new strikes."

Forms of Assistance to Iraq from Arab Countries

The Chief of the IRGC with regard to the assistance given by Arab countries to the Iraqi regime said: "The military forces of the Arab countries have not entered the war, but they are giving Iraq more economic resources in the form of laborers and employees to free Iraqis from administrative, factory, and commercial duties so they can serve in the war."

They are also sending military and police equipment to Iraq.

The Chief of the IRGC with regard to Iraq air attack on border towns and economic centers of the country said: "We, specifically, in this field are paying them back in the same way. All our fighters have tried to respond to these cowardly acts and they have been successful."

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ARTICLE ANALYZES DEVELOPMENTS WITHIN ISLAMIC REGIME

London KEYHAN in Persian 26 Jun 86 p 6

[London KEYHAN weekly in Persian; founder and publisher Dr Mesbahzadeh]

[Article by Nader Kushan]

[Text] Abolhasan Banisadr, the first Prime Minister of the Islamic Republic of Iran, recently commented on Mas'oud Rajavi's move from Paris to Baghdad. Among other things, he said that France is wrong to think that by throwing a bait in front of Khomeyni, it could normalize the relations between the two governments. He added that they (the French) should learn from Reagan. Even if Banisadr doesn't know anything, he at least knows more about what is inside the mind of the Islamic Leader than any other Iranian refugee. He has personally lived through the events of the taking of hostages at the American Embassy. He has seen with his own eyes and heard with his own ears how worried Khomeyni was, in the first few hours and days of the hostage taking, about the possibility of a strong reaction from the United States and the destruction of what Khomeyni later called "the Second Revolution". As days and weeks passed and the Ayatollah realized that America would not react strongly, he became bold, started talking about the "Big Devil" and watched with nearly obscene pleasure as all sorts of groups including the Mojahedin-e Khalq, the Fada'iyan, the Tudeh Party and the Hezbollah clans added constant ammunition to the 24-hour anti-American demonstrations held in front of the American Embassy.

He Came Disguised As A Businessman

Abolhasan Banisadr closely witnessed how over fifty American diplomats were held prisoner for 444 days (it's a long time!) and how they were used for the purpose of keeping a psychological-propaganda war alive. He saw with his own eyes how Kurt Waldheim, who had advised the Americans to end the crisis by delivering the Shah to the Islamic Republic, was mocked and booed in the streets of Tehran and how his life was endangered. Abolhasan Banisadr also saw how Khomeyni lost his cool when Reagan won the elections and how he ordered his entourage to arrange for the immediate release of the hostages.

If the author of this article knows, then Banisadr must surely know as well that shortly after Reagan was elected, a high ranking German official

came to see Mohammad 'Ali Raja'i, the Prime Minister of the time, under the guise of being a businessman offering ways and means of breaking the so-called economic blockage against Iran. When they were alone with the interpreter, the German confessed that he was neither a businessman nor did he have proposals on how to break the economic blockage; he was merely delivering a message from the newly-elected President of the United States and the message was that if the hostages were not released by the time the President went to the White House to be sworn in and to formally assume the presidency, "your land will be flattened and your skies will be blackened with fighter aircraft". This so-called businessman who was, in reality, a high ranking official of the German Federal Republic, said the above and left without waiting for a response. The response to what he had said came on 20 January 1981: While in Washington, Reagan was going to the White House to be sworn in as President, a chartered plane carrying the American hostages, namely those same people who were to be tried on espionage charges, flew from the Mehrabad airport in Tehran to Algeria and finally landed in Weissbaden, West Germany. It is, therefore, clear why the German Government was thanked for having played a positive role in the hostage crises.

Banisadr Knows What He is Talking About

The foregoing was what happened behind the scenes. But Hojjatlol-Eslam Mohammad Kho'ini's interview with the Tehran KEYHAN newspaper after the hostage crisis, is open information. He said that the Imam hesitated at the beginning when the plan to occupy the American Embassy was presented to him (note that there is no mention of taking hostages). "But we insisted and explained to him that this was necessary in order to end the rumors that the Revolution was inspired or planned by America. Finally, the Imam agreed to go ahead 'for a few days only...and not longer'."

The affair lasted 444 days however and Ayatollah Khomeyni switched from his stand of being in favor of it under certain conditions to defending it unconditionally. Why? Because he was afraid that otherwise his position would be jeopardized and that his status in the world of extremism would be threatened by the leftist and other extremist elements in the country. This is not our own analysis but that of Mr Mehdi Bazargan in his explosive book entitled "The Islamic Revolution in Two Moves". Others who know the Ayatollah intimately confirm that although Khomeyni appears to be headstrong and unforgiving, when his own interests are in question, he is also capable of compromising and retracting. It was in his interest to enter into a conflict with the Carter administration and he, therefore, did it. It was not in his interest, however, to offer an excuse to a freshly-installed President who strived to give back the lost self-confidence and pride to a Nation that was used to being victorious and he, therefore, did not enter into a conflict with him. All Ayatollah Khomeyni's compromises and retractions are tactical and calculated in nature. They must not be interpreted as the abandonment of his objective which is to destroy the foundations of Western Civilization. Khomeyni believes, rightfully or not, that the foundations of Western Civilization are rotten and that the latter should be destroyed. He is not very much concerned, however, about what can replace it in the future. He considers destabilizing Western Democracies as a step towards total destruction.

Political "Astrologers" and those who believe that all the defeats and disgraces of American politics are caused by America's own deceitful policies, can say whatever they wish. The fact remains that the extent of the damage caused by this 444-day hostage crisis to the United States' reputation and honor is such that its effects still persist and will, most probably, continue way into the future. American people may have forgotten this event; the memory of it, however, will continue to exist as a historical nightmare for the country.

Ayatollah Khomeyni cannot do anything for the Islamic Republic except to build up its reputation as the greatest enemy of Western interests. Compared to him, Colonel Qadhdhafi is a mere child. The semi-confidential report released by the Military Command of the Federal Republic of Germany, according to which "Khomeyni's terrorism is far more dangerous than that of Qadhdhafi" is yet another confirmation of this fact.

Value of One Billion Dollars for Khomeyni

The West is not always as realistic in its estimates of the power of the Islamic Republic. One cannot help but smile with astonishment when told that the power of the Iranian government today is sufficiently established and structured as to allow it to continue functioning after Ayatollah Khomeyni. Assuming that the Islamic regime lasts after Khomeyni (and we will not enter into this discussion here), it will definitely not be the result of the "structure" that it has gained at present. We do not want our discussion to be extended here to the actual meaning of certain terms and we do not want to enter a discussion on what "structure" really means. One should say, however, that in present-day Iran, "structure" is not easily seen and its existence cannot be easily deterimned. This same "structure", which holds such an important place in Western thought, is rare and difficult to find in Iran. Today's Iran has old and new organisms that perform certain "functions" without having a real "structure". The main reason for Khomeyni's power and influence is that he does not have to operate within a set structure. Iran's regime today is the sum total of these functions without any solid or distinguishable structure.

During the last 'Eid-e Fetr (religious holiday), when the leaders of the Islamic Republic went to Jamaran to pay their respects to the Ayatollah, the latter, while supporting the private sector, said that the support of the public sector was a "religious necessity" because it was doing its best to limit the private sector's influence in the economy. While calling the weakening of the Government as "betrayal of Islam", he gave his support to the establishment of private and exclusive schools that he considered to be an educational challenge to the government.

The Ayatollah does not do this sort of thing just to be able to maneuver between Iran's multiple centers of power. He does not have a clear idea of how the economy should be; which direction education should follow; how the centers of decision making should function. He never ever had any idea about these issues. He does not place that much importance on them

either and tries not to get involved in issues that may reduce his influence among his supporters. That is the reason why when he was forced into compromising as a result of Reagan's pressure, he got the Majlis involved.

Now, with regard to the maneuvers of the French Government, one has to ask the following quesitons: 1. Can the French hostages be released from the hold of the Lebanese Hizbollah without Khomeyni's intervention? 2. Is the Ayatollah ready to intervene? and if yes, who will he use to actually do it for him?

Based on Khomeyni's past actions, it is difficult to imagine that he would sacrifice the Lebanese Hizbollah's support to get close to the French Government. Even though Iran is currently suffering from incurable foreign currency shortage, it should be reminded that, in the past, Khomeyni had sacrificed 12 billion dollars just to defeat Carter and to discredit America. He will, consequently, not go out of his way for a mere 1 billion dollars owed by ("Aerodif"), particularly because the French Government has started hinting about the damages suffered by French companies as a result of the Iranian Revolution.

In addition, if the Ayatollah remains uninvolved, important issues will fall into the hands of various centers of power in Iran and the rivalries and enmities that exist among them will prevent any important decision from being taken.

Other Motivations

On the other hand, one must be very cautious when giving certain advantages to regimes such as the Islamic Republic of Iran. Perhaps there were other motivations behind "encouraging and persuading" Mas'ud Rajavi to leave France. If, however, the meaning of this action was to give a gift to Khomeyni, one can already be sceptical about its results. Because, as a French author wrote in the LE MONDE newspaper, the more these types of regimes get, the more demanding they become. This same author, using an ironical and humorous style which made the truth stand out even more, wrote: "If today we release all prisoners who have committed crimes on French territory, tomorrow they will ask us to dissolve the Parliament; and when we dissolve the Parliament, they will ask us not to go to church anymore; and if we stop going to church, they will pressure us into abandoning our religion and converting to Islam!"

Even if all calculations prove to be correct and if in exchange for giving something, something is received, the fact remains that a new element called hostage taking has entered international relations. This element can be used by any group who will set its own values of right and wrong.

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PAPER ANTICIPATES FAMINE, BANKRUPTCY, ECONOMIC FAILURE

London KEYHAN in Persian 19 Jun 86 p 8

[London KEYHAN in Persian; founder and publisher Dr Mesbahzadeh]

[Text] Quoting an announcement by the regime's National Economic Mobilization Headquarters, the Islamic Republic Radio on 21 May 1986 stated: "Of the projects presented to this headquarters, due to the foreign exchange deficit, it is agreed to prepare a list of all the production units which provide the equipment and goods needed in the war fronts; only those units will remain active and their products, instead of being sent to the cities, will be transported directly to the war fronts." With attention to this direction, it is evident that due to the lack of foreign exchange, there is no place for the activities of the other factories of the country and the import of necessary items.

By a simple calculation, one realizes that during the last 7-8 months, the foreign exchange earnings of Iran have been reduced about 80 percent. On one side, the oil price has dropped from 26 dollars a barrel to 12-13 dollars a barrel (some experts have even estimated the sale of 8 dollars a barrel by Iran) which will reduce foreign exchange earnings by 50 percent. On the other side, the dollar income from the sale of oil during the past months has lost 30 percent of its purchasing power.

In this manner, if the annual income of the Islamic Republic from the sale of oil during the year 1984-85 was around 18 billion dollars, it has now been reduced to a maximum of 8 billion dollars, and by deducting the 30 percent decline in dollar value compared to the value of the dollar in previous months, foreign exchange earnings have a purchasing power equal to 3 - 3.5 billion dollars of 6 months ago.

A number of leaders and authorities of the oil producing nations have informed their people about the reality befalling them in simple language. Among them, Chadli Bendjedid, the President of Algeria, in a speech at the conclusion of the Sixth Congress of the Algerian Language, published in AL-MOJAHED newspaper on 9 March 1986, explained these realities to his nation and announced: "Due to the change and decline in the oil price and the fall of the dollar value, the income of Algeria has been reduced 80 percent." Only the officials of the Islamic Republic do not intend to inform the nation about the dimensions of this calamity. They pretend that nothing has happened in the oil market or to the value of the dollar in today's world. The dimensions of the decrease of Iran's foreign exchange will become more apparent as 3 years ago, the Islamic

Republic decided to prepare a separate foreign exchange budget for the nation and to ratify it in the Majlis. In October 1982, the Islamic Majlis bound the cabinet to prepare a separate foreign exchange budget along with the national budget bill and present it to the Majlis for approval. This decision was made at a time when the government had an income from the sale of oil equivalent to 18 - 20 billion dollars, the oil price in 1981 was 37 dollars a barrel, and Iran was able to sell between 2.1 to 2.7 million barrels of oil per day.

In February 1983, during the preparation of the national budget for 1984, according to the budget article, the foreign exchange budget of the Islamic Republic was estimated at 15 billion dollars from foreign exchange received and the same amount was approved in the Majlis. It is amazing how the same budget amount, without any study or calculation, was approved by the Majlis for 1365 (1985-86), whereas in the previous year, of the approved 18 billion dollars, earnings were less than 8 billion dollars. In the current year, considering the situation, it is anticipated that foreign exchange earnings will be even less than the previous year (around 6 billion dollars).

In this regard, while the foreign exchange budget article for the year 1365 (1985-86) was being discussed with attention to the deficits of the previous years (instead of 15 billion dollars, the revenue was only 8 billion dollars), a number of the Majlis deputies who were informed of the exaggerated figures for last year and even more so, for the current year, voiced their opposition and they were immediately hushed. Among those deputies in the session of Tuesday, 4 March 1985 were Mohammad Reza Bahonar and Assadollah Badamchian. They talked about the unreality of these figures and the response to them was interesting and unexpected. Dari Najafabadi, the spokesman of the Planning and Budget Committee in response to these deputies said: "In this article, we only intend to explain our foreign exchange commitments and payment orders and not the amount of our foreign exchange earnings!"

Year of Famine, Bankruptcy and Economic Failure

At first, the deficit in the foreign exchange budget, which was around half last year and will be even more in the current year, did not attract any attention, but when according to the Majlis sanctioned laws, we realize how this credit is used for importing products, the importance of this matter will be greatly intensified. The government was bound to provide the following goods for the primary needs of the country and to secure the necessary needs of the people from foreign exchange earnings:

1 - Foodstuff like wheat, meat, shortening, etc.

2 - Medicine and the primary materials for making medicine, laboratory and medical equipment.

3 - The equipment needed for water and soil activities, seed, cattle and poultry improvement and agricultural machinery for the Agriculture Department.

4 - The purchase of primary equipment for the production and transmission of electric power, spare parts for reconstruction of existing installations and prevention of their destruction and depression.

5 - To provide primary materials for the petro-chemical and steel industry.

6 - Purchase of the necessary gas injection equipment for the efficiency of the oil wells and to prevent them from drying.

7 - Purchase of equipment for road construction and improvement of the railroad.

8 - The import of the needed equipment for the repair of mines and to facilitate the operation of underground resources.

9 - Purchase of work tool equipment for expansion of educational and research activities, establishment of the universities, technical and professional schools.

10 - To secure necessary foreign exchange for industrial units and the private sector and many other things.

The import of all these items is estimated on the basis of a 15 billion dollar yearly foreign exchange revenue and now this amount has an 80 percent deficit. We now realize that with the announcement of the National Mobilization Headquarters of the Islamic Republic, most of the foreign exchange revenue will be used to activate those industries which provide the needed products to the war fronts. Therefore, we can right now declare the year 1365 [21 Mar 86 - 20 Mar 87], the year of famine, bankruptcy and economic failure of the regime.

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EMIGRE PAPER COMMENTS ON REGIME-IMPOSED 'UNIFORM'

Paris QIYAM-E IRAN in Persian 12 Jun 86 pp 1, 12

[Paris QIYAM-E IRAN in Persian; weekly organ of the Iran National Resistance Movement]

[Text] The bill for the campaign against unveiled women, named the 'uniform' bill, was finally presented with first priority to the Majlis. We expected this for a few years. When the hezbollahi were throwing dye at women's and men's faces in the streets or injuring their faces with razors in order to force them to dress in the hezbollah fashion, we noted then that the regime was not going to succeed in this manner and finally would be obliged to dress the people in uniforms. Our anticipation was based on one simple sociological reason. From the beginning, the question of clothing was recognized by the people of Iran as a symbol of the imposition of the new despotic rule and they showed reaction in this regard. If you recall, in 1979, during the very first Nowruz (New Year) after the revolution, Engineer Bazargan, the prime minister of the provisional government, appeared in public to make a speech dressed in a clean suit and tie. He specifically referred to his suit and tie and implicitly wanted to indicate that the government not agree with the opposition demonstrated by the reactionary sources in regard to clothes. Certainly, the mullahs, despite the opposition of the provincial government, were not relinquishing the idea.

The Iranian people's costume was a sign of the modernization era and changing the costume was among Khomeyni's ways of wiping out modernism. The change of costume legally took place in Iran in December 1928. Up to that time, wearing a suit was not customary in Iran and as a whole, there was no special rule for clothing. The clothes of villagers and low income people consisted of canvas shirts, blue or black buckram trousers and rimless felt hats. Tradesmen and merchants wore long tunics with sashes and the quality and color of the costume depended on the wealth of the person. Dignitaries and aristocrats wore fur hats, garments with high collars and folds around the waist, falling above or below the knee according to the age and taste of the wearer. Among wealthy people, the use of broken collars, ties and cashmere vests with pocket watches and gold chains was customary to some extent. But the only costume without any rule or order and therefore very common was that of the clergy, meaning loose, sleeveless cloaks (Aba), long tunics open in the front and turbans. This costume, used by the learned men (Olama), should be dignified and respected, and was not only worn by the first class clergy, but also by

jugglers, peddlars, beggars, grocers, perfumers and other classes of people. According to the law of 1928 (1307), the public was forced to set aside their various costumes and wear suits and black, broad, cloth hats with rims called Pahlavi hats.

Turban wearers, especially those who used turbans and long open tunics (Aba) as a means of doing business, resisted the new law and there was some conflict. Finally, the government discussed the matter with the sources of emulation and important clergy and assured them that the reason for the change of costume was not opposition to the appearance of the ecclesiastics and it was agreed that only clergymen, teachers and students of the theological centers would be entitled to wear the clergy costume after obtaining a permit.

After a few years, the Pahlavi hat was abolished and the uniform diminished and the people usually wore the same outfit used by the majority of the people in the world today. Gradually the people were free to wear whatever they wanted. Nobody was arrested because of not having a tie and nobody was tortured for wearing a tie. Naturally in cold weather, the people wore warm clothes and covered their head, and in the summer, they wore light clothes. In fact this is a matter of getting dressed. If a person has the freedom to choose his costume,he will not be sick to torture himself by wearing dark heavy clothing with long sleeves and a closed collar in the heat of summer. But if he feels a gun next to his ear in order to cover all his body, he will be forced to wear a fur coat in 100 degree temperature.

When Ayatollah Khomeyni and the students of his school dominated Iran, due to their resistance to the modernization movement hidden under the ashes of fire for 50 years, the first thing they attacked was the people's costumes. The necktie was the first piece of attire attacked. The enmity of the mullahs to neckties is only based on a long grudge. They have never forgotten that those who introduced new thoughts to Iran returned from Europe wearing ties. Since that time, the mullahs have identified the necktie as the transmitter of the microbe of modernness. In their opinion, a man wearing a tie has something wrong with him and is capable of doubting many things. Certainly the mullahs do not reveal their true views about the necktie and in order to banish the tie, they made excuses that this piece of mute cloth is the symbol of westernization. If a tie is the symbol of western culture, a shirt, suit, and wristwatch are not exempt from this sin either. Furthermore, during their visit to Iran, the leaders of the Eastern block and third world also wore neckties and most of them have more enmity toward western policies and culture than the leaders of the Islamic Republic. In any case, the interference of the mullah network in the people's costume has made the people realize the imposition of the despotic rule and confronted it from the very first day. The mullahs could claim that the women's veil is a religious order and must be obeyed but they cannot state that Islamic religious law has selected the color of the dress, shoes and stockings too. For example, they could not indicate that to wear boots or half-boots is forbidden by Islamic law. They are not able to invent sayings from the word of the prophet or Imam J'afar Sadeq (the fifth imam) that women's blouses are detestable and wearing large pants is a pious act. In fact, there is not any command in regard to men's costume in Islam. Therefore, when the people get dressed, they are careful to shut the mouth of Shari'atmadar (versed in religious law). Shari'atmadar Sabzevari had

issued instructions that the women must not be seen in public bath houses naked. Therefore the women were forced to wear waist cloths when going to the bath houses but they hated it immensely. One day a woman appeared in the bath house without a waist cloth and had only covered her front with a small piece of cloth. The shrews like the Zeynab sisters of today started to fuss and make noises. The woman said: "Stop making undue public disgrace, Sha'r (religious law) has never bound a woman to cover herself in a woman's bath house and if I have used this small piece of cloth to cover myself, it is merely to shut the mouth of Shari'atmadar."

The delicate games of the people, especially of the women in regard to costume, was one of the open signs of resistance and the despotic rule of religious jurisprudence cannot bear this resistance. The only solution is like in communist countries, to consider a uniform for men and women and to precisely determine its style, color and material. We had predicted this and as you can see, this prediction, like many other of our predictions, proved to be true.

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OPPOSITION PAPER PORTRAYS DIM FUTURE FOR COUNTRY

London KEYHAN in Persian 19 Jun 86 p 8

[London KEYHAN weekly in Persian, founder and publisher Dr Mesbahzadeh]

[Text] Despite the Islamic Republic slogan of self-sufficiency and lack of dependence on the east and west, experts and business executives in industrial and economic affairs believe that the statistics show something else.

Not only has industrial and economic dependency on foreign countries not decreased, but in the past 7 years, more than any other time, Iran has been in daily need of the east and west and even its neighbors. The amount of industrial raw materials purchased from abroad has increased from 40 percent before the revolution to 54 percent in recent years.

These specialists state: "With the decline of the oil price, the foreign exchange situation of the Islamic Republic will become more critical daily and in the same respect, the Islamic Republic economy, which depends solely on oil, is in an internal explosive stage. If this situation continues, before long, the half-baked industrial framework of Iran will collapse disastrously."

The specialists say: "Dependency on the outside and reliance on foreign exchange earnings from the sale of oil is not something to be solved in one or two months. Therefore, the Islamic Republic has fallen in such straitened circumstances that to come out of it would require a miracle."

The economic experts in Iran these days are not able to hide their extreme anxiety about the events resulting from the fall of the oil price and the shortage of foreign exchange which is the result of sole reliance on oil income. They insist that if they cannot find a solution for the problems of the shortage of foreign exchange, the number of unemployed will reach 4 million in no time. This unemployment is naturally the result of the shortage of government and private sector financial and foreign exchange strength in order to purchase needed industrial and primary materials, which in this case, will result in the closing of factories and industries as a whole, and their adverse effects will appear gradually. Considering that 2 million of the active population of the country is working in the industrial branches of the nation, we can easily comprehend that if what is anticipated occurs, unemployment and its consequences will become a national catastrophe. It is worth mentioning that according to the predictions of the experts, private

sector production will decrease 65 percent due to the foreign exchange limitations.

The specialists of the Ministry of Planning and Budget say: "In 1983, about 84 percent of the national imports consisted of intermediate or investment goods and these goods were imported in order to supply Iran's industries. This figure indicates the extreme dependency of Iran's industries on foreign exchange."

Dr Mas'ud Nili, a specialist with the Ministry of Planning and Budget explains: "Fifty percent of the raw materials consumed in our industries are imported from abroad, therefore in regard to the undesirable situation of Iran's foreign exchange, it can easily be predicted that it is probable that the foundation of Iran's industrial centers will collapse."

According to studies conducted by responsible organizations, the foreign exchange needed by the industries is 7 billion dollars a year and all of this amount is used to purchase needed raw materials and spare parts for the factories.

First Sign of Bankruptcy

At present, while you read this, the private industries, due to the straitened financial circumstances of the Islamic Republic, do not have foreign exchange to purchase primary and essential equipment. Consequently, a number of industrial and economic organizations have come to a complete standstill and the number of these units is increasing everyday. In addition to the above mentioned principal difficulties, the inadequacy of the other economic divisions has aggravated the dependency of the industries, and the low output of agricultural products and the lack of availability of advanced technology for the internal experts and specialists has deprived Iran of the possibilities of a fruitful national production.

Dr Nili says: "Unfortunately, during the years after the revolution,, we were not able to eliminate the economic dependency of Iran. This economic composition is created by those industrial nations which are very well acquainted with our internal situation. They are very well aware of the negative aspects of the fall of the oil price on our internal affairs." The specialist indicates: "Ninety seven percent of the foreign exchange income of the government is provided by oil and gas and the other government income is from taxation. Since the people neglect to pay their taxes on time or correctly, the government at present is defeated in all sources of its income."

In the view of the economic experts of the Islamic Republic, there is not much hope for the progress and expansion of non-oil exports which at present exceed 3 billion dollars a year. Even this insignificant amount also needs raw materials and equipment for the industries and they must all be imported. In the end, all these frustrations lead to the question of unemployment. The shut down of the industrial centers and factories sends the flood of new unemployed to the previous ones and with attention to the new work force entering the job market every year, then all remain idle and bewildered. Very

soon, the number of unemployed in Iran will exceed 4 million and by calculating that the average family consists of 4 persons, we can state that nearly 16 million Iranians do not have any income from living.

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14 AUGUST 1986

Near East/South Asia Report

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REPORT ON GOVERNMENT EFFORTS TO COMBAT SMUGGLING

Algiers ALGERIE ACTUALITE in French 26 Jun 86 pp 9-11

[Article by correspondent Kamel Bouslama: "Auctions and in Gold"]

[Text] The facts are decidedly very stubborn in our country. As soon as it involves, for example, identifying ever so little in the exciting world of smuggling, it is always the same; after the preliminaries are over, remarks quickly give place to silence. The questions which one sometimes takes the trouble to ask are quite often undecided. This is particularly so, when they refer to an objective analysis of the facts.

Besides each time that we happen to mention the evidence of a smuggling affair, it is almost the same not very subtle story which reappears. Either one gets lost in hazy conjectures about the circumstances which have led to the arrest of the swindlers or smugglers, or one dwells tediously on the nature and value of the merchandise confiscated. In any case, it rarely occurs to us to ask about their destination after casting the net. And we think even less about the reasons which have caused a smuggler to repeat the offense, when substantial coercive measures had no doubt to be used to discourage him.

In this respect, let us allow Mr Harieche, director of research and planning at the headquarters of Algerian Customs, to give us a few facts. "With us, he observes, if you would put anything at all on sale, people would manage to buy it by all means. Clothes, cosmetics, auto spare parts, electric home appliances etc, everything is available. The facts are thus, you cannot deny them. It is also clear that all merchandise in the country is susceptible to possible smuggling, regardless of its nature. That is a situation which does not exist in any other country. Take the case of Tunisia with which we have a common frontier. It is a country which practically has no smuggling in cosmetics or clothing, to only mention these two items. Do you know why? It is because those articles are available on the domestic market, even if they are expensive.

"In Algeria, on the contrary, these articles are not always available, even when they are produced locally. In order to buy a battery for a watch or a

radio cassette, it is necessary to go to rue de la lyre or 'l'aquiba' market in Belcourt, without considering that it is outrageously expensive. Do you consider it usual that such items are only available in such places? And then you must suspect it is always the middleman who benefits from the situation. Here that can only be the malefactor or the smuggler, when it is not the usual dealer, because the latter also purchases every time considerable quantities which he sells based on arbitrarily fixed prices."

According to Harieche, it is the very nature of our market which causes smuggling to be so active. He explains: "We sometimes have managed to confiscate between 30,000 and 40,000 smuggled watch batteries. Moreover, since it is known that many people use this type of item, we make the confiscated amounts available to retail dealers, who purchase them indirectly at auction sales. Through this example and so many others, one can well imagine that there is practically no merchandise confiscated that does not directly interest the consumer. And the smuggler also, since the latter only operates necessarily in case of a shortage of a given commodity. It is moreover for this reason that many people are closely interested in auction sales. You see they well suspect that when a commodity appears in them, it is because there are good chances of not being on the domestic market."

For customs officials, it is especially on the frontiers that shortages are discovered. One would think that the causal relationship is not always so obvious there. However, each time that there is a question of constant smuggling, that is not misleading: quite often it is that a situation of simultaneous shortage existed previously. On the contrary, that does not mean that it would be necessary for shortages to end to eliminate all smuggling. Here unfortunately, the few statistical indices which we have available, are not of a nature to clarify things. Nevertheless, we will try to see it objectively, by supplying a few examples.

From the state's point of view eliminating smuggling is not only viewed as an act of a legal nature. That is also equivalent to an economic operation. Moreover, the General Directorate of Customs shares this view. One considers there that the confiscation of smuggled items followed by an auction sale is a practice established by usage, a means like any other of supplying the domestic market. Harieche observes "that does not appear obvious, however it is a principle for all merchandise confiscated: whatever its nature, quantity or value, it is generally intended to meet peoples' needs. It becomes available to them, so to say, indirectly through public auctions.

An exception is made certainly for all drugs which are destroyed, keeping only a part, it is reported, for the specific needs of the Algerian Central Pharmacy. Anything connected with fireworks is also destroyed. As for foreign exchange and firearms, one is given to the central bank, the others are sold exclusively to gunsmiths. The public is generally informed of auction sales through the press. The text of the ad indicates the date and place as well as the articles and amounts which are available there. There

then is the fate of the confiscated merchandise. It is a question now of seeing at what basic value they are going to be sold and to what kind of customers.

Let us begin first with the prices. The latter are determined as follows: the first evaluation considers the recovery of taxes and the various import duties. This operation involves all merchandise introduced--legally or not--in Algeria. In the case of a magnetoscope purchased with French foreign exchange and which is worth 5,000 DA at the official rate of exchange in Algeria, 75 percent of the import duties and taxes is applied. The amount obtained--13,000 DA--is going to represent the real value of the magnetoscope on the domestic market.

At first, the import duties and rates may appear excessive. "However, Harieche points out to us we cannot exclude them for we have there a factor in the protection of domestic production. Their amount is naturally based on the degree of protection of the item." Consequently contrary to a very widespread opinion, the duties, rates and assessments on imports are far from being a mere pretext to increase the initial value of a product.

There then follows a fine which is legitimized by the smuggling of the merchandise confiscated. In all cases it is estimated at twice the real value--in dinars--of the product or article. In the case of the magnetoscope, the value will be 27,000 DA, the value at which it is put on sale at auctions. Imagine that at this price the magnetoscope already costs 5 to 6 times its initial value in dinars. And this is not all. For if the item is only placed on sale at the amount based on the calculation of the fine, the auctions are going to increase its value more. It then would cost 2 or 3 times its real or assessed value, that is around 50,000 to 60,000 DA! At the rate at which the sales in question are going, it does not threaten to be within the reach of a small market.

But let one not be mistaken: Auction sales are not going to be profitable only at the large markets. In most cases, the average dealers take turns in buying. Because of a specialized sale--by article and by month--they manage to round up everything which they consider profitable to sell afterwards. With the solidarity between them helping, they generally manage to reach an understanding not to have the same articles. If necessary, their stores are far enough apart from each other. Obviously, their trade could not take place, without the usual profit margin, which they fix as they understand it. Since the article is in heavy demand, you know well that they know unquestionably, at the time they purchase it, if it is available or not on the domestic market and if it is necessary to increase considerably or not the price knocked down at the public auctions.

That amounts to saying that if the auctions are limited--as also is often the case--to relatively reasonable prices, it will certainly not be the markets of these dealers which would suffer from it. In any case, it is

quite clear that the fact of not haggling about the fixed value of an item can only be an expressive indication of good financial health. You must no doubt have guessed who is the big loser in the deal. But what can one do, when you are forced to buy a missing part for your television set, your refrigerator or your kitchen stove.

Of course there are--since it is for them that the auction sales matter the most--dealers with a very special profile: smugglers. Quite often it turns out to be those who already have been caught. Then they also attend--when they are not arrested--with the obvious purpose of recovering their confiscated merchandise. A curious fact, the latter, even after having been confiscated, ends up in some way by returning to the starting point, but not without having followed a more or less roundabout route, first indirectly from the confiscation; then by a forced stay in a warehouse, finally through the medium of the auction sale. The smugglers must gladly say, "auction sales exist to allow us to recover all our goods despite everything." It will be enough to put a price on them. Now for these ambitious but third-rate fellows, nothing can deter them; and even less the fact of having to spend some money.

To achieve their ends, they even go beyond what a regular auction sale can authorize. Their trump card is to bid exaggeratedly higher with respect to the other buyers. Are the amounts sufficiently important to justify such interest? The answer is no. What interests them above all is the invoice which they use to sell many more quantities than it indicates. If this invoice states that they were sold 50 pairs of jean trousers, they will not hesitate to sell 2, 3, or 4 times more, as many times in any case, what the undeclared, unconfiscated stocks would allow them.

Under the cover of the invoice in question, they are going to be able to sell legally--and in lots of 50--as many jean trousers as they have in their hiding places. Harieche had to confide to us, "even the strict inspections could not do a great deal here," and emphasized "the crooks and smugglers are very suspicious people. Their rule is to have available at the place of sale, only the amount corresponding to the figure on the invoice. For our other customs officials they apparently have everything in order. But since we know them only too well, this is generally only a sham, which we sometimes manage to unmask."

For Harieche their activities represent a certain risk for the national economy: "But what can one do before a situation which not only affects our country. Moreover, the national customs face problems similar to ours everywhere. However, that does not prevent them from observing the system of auction sales. It is almost as if, connected with the confiscations of smuggled merchandise, they are not considered a necessary evil. In France, for example, the national customs have their own retail stores. This certainly allows better control of amounts and prices. It must be said that in Algeria things have not gone that far.

The Fight Against Smuggling in a few Figures

1984

The customs services have set up 5,834 road blocks, 3,786 ambushes and opened 416 investigations.
They have recorded 21,056 violations including:
61 for narcotics and 718,500 kg of drugs confiscated.
68 for weapons and 504 items confiscated
3,269 for foreign exchange.
The total for fines and confiscations rose to 139,028,885 DA or 47.7 percent more than in 1985.

1985

7,555 road blocks
4,232 ambushes
616 investigations
The customs services have recorded 19,175 violations including:
99 for narcotics and 1,552 kg of drugs confiscated
62 for weapons and 166 items confiscated
2,695 for exchange and 8,841,019 DA confiscated (exchange value in foreign exchange).
199 for precious objects and an amount worth 45,318,388 DA confiscated.
The total of fines and confiscations rose to 138,792,154 DA

If one relies on Harieche's reasoning, hiding a condition as obvious as the universal practice of the system of auction sales would practically be the same as only considering things like you would prefer them to be: and not like they really are. Just as, in the exact case of our country, one should not lose sight of the fact that at this time, we are still living in the first stage of smuggling, that is physical crossing of merchandise. When in other places everything is already taking place on the level of the movement of documents and electronic control. Consequently, on the level of the national customs, important work remains to continue in carrying out organization and modernization assignments. It is a long range task but certainly not impossible in view of the potentialities which are not lacking. Harieche says to us, "for the moment, it is necessary to recognize all the same that we are not pulling through it too badly. With our present system of auction sales, everyone benefits: the customs, the public treasury, private individuals and to a certain extent and in spite of us, the smugglers also."

In view of the way in which they use the invoice, it is hard to imagine how the latter would not benefit from it. Obviously, the main problem which the use of this document creates is based on its being valid too long. The latter was 6 months, not a long time ago. They had thought at the General Directorate of Customs that it was necessary to reduce it more. "You see, the shorter the duration, the less opportunity the smuggler will have to sell his surplus of merchandise. We must understand by that that the smuggler is obliged--in view of the fact that it is a rule of prudence for him--to

keep his contraband hidden for some time in a warehouse, before taking it out to put it in circulation. Now, the validity of his invoice will have expired, meanwhile. In that way, he will no longer have the time which was given him to get rid of the supposed first lot and sell the rest."

At the present time, the validity lasts 3 months. It seems not for long, for it is still intended to reduce it to 45 days in a short time. We have been assured, "starting from this time, the customs officials will be able to conduct more effective inspections." So be it, but can one believe to the point that this coming reduction of the duration of the validity of the invoice is going to really effect the reduction, indeed cause the pure and simple elimination of the phenomenon of smuggling?

The question had to be asked. It must not be forgotten that this other no less important aspect of the reality experienced underlies it: the cycles of shortage. In this respect, Harieche maintains that the phenomenon, in its casual complexity, can produce some answers, in spite of everything. He supports his point of view with an example he considers significant: that of spirituous liquors and certain brands of cigarettes to the American taste such as Craven, Winston and Marlboro. He indicates "since these brands have been produced in our own plants, the amount of taxes and duties--which one found so high at times--has dropped noticeably for this consumer product. And smuggling has declined also. One can even assert that there is practically no more in this field. The reason is quite simple: it was enough for us to produce these brands ourselves and provide the national market with a steady supply."

If one is satisfied with this answer, one would have to agree with Harieche about the potentiality shown. For the same reason, should not one also see there a prelude to a greater capacity for taking over from now on the production of some other imported products? In other words, to definitely end the smuggling which rages at our frontiers, do we have the opportunity--in the short or long term--to flood the market with domestic products which would replace those we now import? Harieche's answer is: "Logic would have it that every need for smuggling or fraudulent practices with a given product would disappear by itself as soon as its intensive production and distribution is taken over on a national scale." Logic...certainly. One should not already have to deal with that.

Total Sales at Auctions - 1984

Merchandise	Amount in DA
Arms and ammunition	26,091,620
Vehicles--motor bikes	63,576,992
Other merchandise	103,829,556
Registration fees	19,450,890
RTA tax	673,390
Total	213,622,348

Total Sales at Auctions - 1985

Merchandise	Amount in DA
Clothing	64,089,408
Weapons and ammunition	50,140,560
Vehicles - motor bikes	43,399,915
Equipment - spare parts	19,236,285
Electric home appliances - electronic	5,475,995
Others (cosmetics, etc)	25,685,685
Total	208,027,848

Meanwhile, there are other indications which make us feel the unfortunate effects of smuggling and by the same token defy all plain reason. The case of cigarettes is regretfully too isolated to allow us to question it. For a very good reason it happens--paradoxically--that which can be profitable for a given product cannot necessarily be so for another: and inversely. The case of clothing--which, however, is a widely used product in Algeria--is too vivid to make us forget this painful evidence: too many Algerians bring in huge amounts of clothing and accessories such as shoes, beauty products, various personal effects etc. Moreover, the amounts confiscated in the fiscal year 1985 total alone the trifle of 6 and ½ billion centimes.

For the same year 1985, the total of amounts confiscated on the frontiers--all merchandise together and not including foreign exchange--approached 20 billion 800 million centimes! Almost the cost of the completion of the

Kharraza Dam (35 km from Khemis-Miliana) whose construction amounted to some 22 billion centimes for a theoretical capacity of 75 million cubic meters. By way of indication, the articles and products most readily introduced are firearms and weapons, electric household appliances and electronic equipment, equipment and spare parts, clothing, drugs, gold etc.

Another example mentioned by Harieche is that of the well-known jute carpets produced in Belgium. But here, it will involve this official emphasizing especially its absurd nature, as he observes it in connection with recent practices. Let us listen to him: "Frankly, we must believe we are the victims of western fashion. If not, how can you explain--under the pretext that it is a new fashion--this sudden infatuation of Algerians with these crude carpets, when we produce ourselves much more beautiful ones. Perhaps, it is because of the prices? Personally I doubt it very much, since our carpets--all things considered--are not more expensive. I believe rather it is due to another reason. This momento has been required for some time in the bride's dowry. Now to obtain it, families are obliged to resort to its import. Consequently its purchase abroad, as a consequence, its introduction in Algeria, often fraudulently. In the case of this jute carpet more especially, this is exactly what is happening today. Seeing that two samples of this item are required to complete the dowry."

Having said that, we must not ignore the fact that smuggling takes place in reverse, leading to the export of products, more especially in the western part of the country. In Morocco, for example, Algerian products, whose price is supported here, are sold very inconspicuously. Coffee, sugar, powdered milk, everything is good for business. In the village of Oujda, which is near the Algerian-Moroccan border, a cylinder of Algerian butane costs 50 DA on the spot, while its public price in Algeria is 15 DA. The same is true for fertilizers and other consumer products whose prices increase considerably on the other side of the frontier. The most usual type of traffic is connected with what one generally calls field smuggling, where the operations of the national customs are the most frequent. But look out for the smugglers! Since they generally hold on firmly to their merchandise, they are armed most of the time. Sometimes the vehicle itself is transformed into a weapon. When it is hurled against an inspection barrier, means in keeping with its size are necessary to stop it. The smugglers themselves can sometimes act at the cost of their lives and that of the customs officials--in order to prevent the confiscation of the booty, 3,000 watches, for example, which is a fortune for them. They know what awaits them if they are caught with them. Then...

Obviously, smuggling connected with auction sales makes you think of an enormous spiral. An activity carried out by highway bandits for some (which does not prevent them from moving about in drawing rooms), an economic safety valve for others, its effect, in any case, is harmful for more than one reason. The customs officials know something about it, they who spend the best part of their lives to tracking down a crime which does not always express its real name.

8490
CSO: 4519/140

AL-SADIQ AL-MAHDI DISCUSSES GOVERNMENT POLICIES

East Burnham ARABIA: THE ISLAMIC WORLD REVIEW in English Jul 86 pp 30-31

[Interview with Sadiq El-Mahdi by Mohammad Mahjoub Haroun]

[Text]

Even though people were expecting a formation of a national government, you formed a coalition government that excluded some sizeable parliamentary blocs. What were the reasons behind that?

The present government is the most popular government that Sudan has ever witnessed. It is formed of seven parties in parliament representing 80 per cent of the membership of the Assembly, and 90 per cent of the votes of the electors all over the country. We can easily label this government as a national or a national unity government.

The cabinet formation excluded the Islamic National Front (INF) because the latter adopts Islamic views which would weaken the government. The INF still adopts views that fail to consider some of the realities of the present time. Its attitude to the non-Muslim Sudanese might unify them in opposition to the new Sudanese government. Such opposition could threaten the security of the state. The views of the INF could also isolate the country internationally. Given all these factors, I think that representation of the INF would add nothing and only serve to weaken the government.

We have already denounced the Islamic orientation of the May regime's so-called commitment to Islam. In contrast, we have endorsed a more moderate Islam which is supported by the majority of the Sudanese people. This policy offers a proper Islamic practice that considers all the social variables and the realities of our present time, while preserving the rights of the non-Muslim minorities and creating a satisfactory climate for the conduct of international relations.

Our government is supported both inside and outside the Assembly. The representation of the INF could have added extra parliamentary weight to the government, but it would jeopardise its political image.

You referred to the representation of the INF as one of the obstacles in establishing good international relations. But some observers consider this attitude to be that of the international forces opposed to any genuine Islamic practice.

We won't wait for international forces to impose on us the methods it wants us to adopt. During my visits abroad, I have been explaining the facts of Islam. Whenever I was faced with an allegation that Sharia imposes harsh penalties like amputations, I have gone to great lengths to refute it. The penalties in Islam take into account social considerations, and the satisfaction of one's needs. The have-nots have no fear of amputation for wrong-doing. International society can attack us if, and only if, we implement Sharia in the way Nimeiri did because he failed to consider the requirements for the proper implementation of Sharia.

There is also the question of the rights of the non-Muslim religious minorities. In some international forums it is said that in an Islamic state the non-Muslims are treated unequally. This is inaccurate. In genuine Islamic practice the non-Muslims

are reserved equal rights along with Muslims. Under Nimeiri these rights were not reserved, not even considered, and this resulted in the attacks against Sharia.

The Islamic attitude of international relations is based on the maintenance of peace and co-operation. Nimeiri had also neglected this Islamic directive, and this was the reason why his regime generated foreign hostility. We have to consider these Islamic directives. If those forces continue their campaigning against us, then we will act accordingly.

The attitude towards Sharia or what some political forces call the September 1983 Laws, varied both among the different parliamentary blocs and the forces that formed the cabinet. What is the government's official attitude towards these laws?

I don't think our attitudes vary from those of our allies. But they won't be clarified unless these laws are presented to the Assembly. If you take for example the penal code of 1983, it will be quite clear that all the government parties call for its abolition. It is true that there is some controversy concerning the present form of the Hudud. The form of these Hudud in the September 1983 penal code, does not conform to the true Islamic (Hudud). This fact can be proved by the *Had* of Theft, the zakat code, and the abolition of riba.

What we need is a substitute Islamic legislation that considers the realities of our present times based on the Islamic principles, using the medium of (ijtihad), which is passed by an elected legislative body. If we amend these laws in this way, then they will be very different from Nimeiri's laws. This will be the method which the government will opt for.

I understand that the immediate substitute you present in case you abolish the existing laws will be an Islamic law without having a transitional period during which a non-Islamic law will be implemented?

Yes, I mean that.

The "question of the South" is one of the major challenges that face your government. What in your view is the nature of this problem?

The problem of the Southern Sudan is rooted in the longstanding differences between the South and North and their respective attitudes to national structures. In the North this structure is formed by Islam and Arabism, whereas in the South it isn't. The policies of the colonialists have also added to the complexities of this problem by enlarging the gap between the two parts of the one country. Some extra new factors like the Christian Missionaries and the imposition of the English language in the South added further complexities as well.

In addition to these historical problems there has been the problem of underdevelopment in the South, which created a sense of injustice among the Southerners, not to mention their limited participation in the national life of the country. I think that all these factors have contributed to the creation of the problem in its present realities.

On the other hand there is a possibility of arriving at a political settlement which could solve this problem. This possibility will become greater if a serious meeting between representatives of the North and South is held. We have already made an agenda to deal with this problem, and all the parties concerned have approved it.

It is thought that your early adoption of the unity of the Southern regions has contributed to the complications standing in the way of a mutual understanding between you and the Southern political forces?

We have adopted no attitude on this issue. We said that it is entirely a Southern affair. In our government we have Southerners who support the idea of the unity of the South and others who don't. We convinced all the Southerners that Nimeiri was mistaken when he interfered in Southern affairs. It doesn't matter for me whether we have a united or a divided South.

Despite the economic deterioration of the country the government hasn't yet opted for clear economic policies. What difference is there between the deposed regime's policies and views and the policies and views of the elected government?

This claim is inaccurate. We have presented our electoral programmes which clearly showed our economic choices. What we have said is that when the Assembly holds its second session after the Eid holiday, the government will present its programme. It will explain in this programme how it plans to carry out the objectives of the economic charter which the political parties have previously agreed. Our priorities should be the encouragement of production, and to soften the severity of the economic crisis for the masses, while curtailing expenditure on luxury items. We have

already made a considerable effort in all these respects.

You have been known for advocating modernisation inside the party. But some observers argue that the result of the last elections showed that New National Umma Party (NNUP) still depends on its traditional supporter. Could this be seen as evidence of the failure of your modernisation drive?

Those observers are not right for the following reasons. First, the NNUP has gained new ground as it had for example won most of the constituencies of the towns like El-obied and El-Fashir in the Western part of the country, Sinnar and Singa in the central region and Kassala and Gedarif in the Eastern region.

Secondly, our party was fiercely competing in the constituencies where there are modern forces at work, and I think that had the Legislator considered the formula of the modern forces instead of the Graduates Constituencies, we would have gained even more of the workers, farmers constituencies, the professionals. I also think that the new orientation of the party has attracted many graduates to it. Our problem in this respect, if any, was an organisational one.

If you classify the NNUP MP's you will find out that half of them are graduates, and this is a new phenomenon. The number of graduates among the MP's exceeds the whole number of the NIF's MP's. We have no doubt that the presence of our party among students, farmers and workers is greater than it has ever been before. This is because of our modernisation tendencies.

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OPPOSITION LEADER TAHA DISCUSSES ISLAMIC LAW, SOUTH

East Burnham ARABIA: THE ISLAMIC WORLD REVIEW in English Jul 86 pp 32-34

[Text]

Ali Osman Mohammad Taha, a former judge, came to prominence first as President of the Ikhwan-led Khartoum Students Union which bore the brunt of Nimeiri's onslaught of the Islamists in 1969-70, just after the communist-supported coup. His skilful handling of the fight firmly established the Islamists in the leadership of the Union, a position they still hold. During most of Nimeiri's rule he was involved in underground work, mainly among students. He emerged in public life again after the national reconciliation deal in 1977 serving as a parliamentarian, and was the last leader of the People's Assembly (Parliament).

His choice as leader of the opposition in a house containing over 50 high calibre Islamists, testifies to the prominence that this soft-spoken judge has achieved in the movement, and the trust he enjoys among the rank and file as well as the leadership.

The Secretary General of the Islamic National Front has affirmed that the INF has opted for opposition. Why?

There are two reasons why the INF has chosen to place itself in opposition. First, the INF is both an ideological and a political entity. The INF has argued for the necessity of a charter as a minimum requirement for the cohesion needed for holding the government together. The political force represented by the Umma Party (UP), the Democratic Unionist Party, (DUP) and the INF failed to come to an agreement on the charter because of their conflicting views with respect to some substantial questions like the South and Sharia.

Secondly the INF was calling for a homogenous national government according to an agreed charter backed by sizeable parliamentary and popular support in order to deal effectively with Sudan's growing economic and political problems. It was clear that the attitude of the UP and the DUP towards the formation of a national government was not as sincere as that of the INF. They intended to have as many ministerial posts in the cabinet as possible, and this enlarged the area of disagreement between us.

Despite the existence of prominent figures as MP's in the opposition bloc the opposition is still thought to be rather weak. Can you comment?

On the contrary, I think the opposition will be highly influential for at least four reasons. First, the size of the INF means it will be the first time that a Sudanese Parliament has had a viable opposition party.

Secondly the INF element in Parliament will have substantial leverage as a result of its overwhelming success in the graduate constituencies. Third, the opposition has a clear ideological and a political programme, that specifies its objectives. Fourth, the weak structure of the two allied parties and the ambiguity of their policies will surely displease their MP's which might increase the opposition's chances for getting extra support from within the ruling coalition.

But the INF does not have sufficient status to influence decisions within the constituent assembly. An opposition cannot have a majority. But I think there are some basic issues that are likely to be

the subject of dispute even within the two allied parties. The question of the continuity of the application of Sharia is one of those questions. The question of the way according to which the Southern part of the country will be ruled is another controversial question. While the UP stands for the unity of the South and the ultimate rejection of division, the DUP has preferred to keep silent. The Southern Parliamentary bloc is advocating the division option. The Prime Minister, in an attempt to cool the matter down, asked the Southern politicians to represent the South in the cabinet.

If the opposition can present its viewpoint clearly and persuade some other parliamentary blocs to support it, this may even lead to the dissolution of the existing alliance. It may, at least, lead to the adoption of the viewpoints of the opposition by the government.

The INF has already opted for the maintenance of the Islamic orientation of the country. How do you plan to launch such a campaign from inside parliament?

The maintenance of the Islamic orientation of the country has two aspects. On the one hand it depends on the mobilisation of the masses towards Islamic values and morals. The Sudanese Islamic movement has already made much progress in this direction. It has embodied these notions and established voluntary organisations and popular institutions that have been assigned to carry out the programme of the hoped for social change.

On the other hand, the INF will struggle to maintain the essence and spirit of the Islamic laws enacted in 1983. In order to afford the opponents of Sharia no excuse, the INF has showed the maximum flexibility before and after the electoral process. It has affirmed that it does not stand against any attempt to revise these laws since this will result in a complete adoption of the Islamic laws with no delay.

The INF will encourage those MP's who employed Islamic slogans during their electoral campaign to remember their promises. Many MP's raised Islamic slogans to secure popularity and support. The INF will challenge those MP's to make good their commitment. Personally, I am quite certain that the INF will make significant progress in this respect.

You have criticised the formation of the cabinet because it is based on a compromise. What are the advantages and disadvantages of such a cabinet?

The only advantage is that the formation succeeded to satisfy the aspirations of some leading personalities. It was only because of these compromises that they could form the cabinet.

On the other hand there are many disadvantages. The way in which the government was formed reflected the gulf between the leaderships of the allied parties. Although these parties kept on talking about experienced leadership as a minimum requirement, the appointments proved otherwise. Some ministers joined the cabinet without having a minimum knowledge about their ministeries, while some qualified figures did'nt obtain any seats in the cabinet. The formation of the government has frustrated those personalities and enlarged the gap between expectations and realities.

According to what you have just said, don't you agree that the essence of the problem rather lies in the nature of the political structure of these parties?

Yes, this is one of the factors that threatens the continuity of democratic rule in the country. The Sudanese people are now searching for public leaders and policies that the existent party structures can hardly fulfil. There is a big gap between the declared policies and actual practices. Everything is subject to logic compromise. For instance the priorities of services and development will not be rated according to approved scientific plans. The government will be strongly influenced by tribal and regional pressures.

The defects caused by the spirit of compromise and concession will open a door for political corruption which will be accompanied by frustration among the masses. If such a corruption takes place it will damage the democratic system in the country.

The Prime Minister has said that the INF has been excluded from the cabinet because its representation will weaken the government and lessen its chances for improving relations and understanding with foreign powers, non-Muslims and the Sudanese intelligentsia. What is your comment on that?

I don't think the Prime Minister meant what he said. Right up to the day when the cabinet declared the Prime Minister, he was negotiating with us about the details of a national cabinet in which the INF was to participate. Thus there is either contradiction between what he says and does, or his political manoeuvring betray a lack of guidance necessary for our political leaders. This may indicate a grave moral and political crisis.

I would also like to say that the southerners accept that the INF is the only political entity that is sufficiently close to them to bring about agreement on sensitive political issues. It has already expressed agreement with some of the INF's views concerning the future of the South and on the best way to maintain its cultural heritage. It is true that there is yet some controversy over the application of Sharia but the agreement upon other issues has greatly helped us bridge the gap.

The Prime Minister claims that the INF is not accepted abroad. But this is more of an indication of the government willingness to please foreign powers, than a reflection of the INF's foreign popularity.

The security question represented by the war in the South is one problem faced by the government. How do the opposition view this problem?

The Southern question has its local aspect represented by the ethnic and cultural variances and the economic backwardness in the South. But we must bear in mind that the Sudan is not an exception among the Third World, and the developed countries as well. These kind of cultural differences have never been a reason for undermining the national unity to the degree experienced in the Sudan. Historically, the political leaders in the South and North have established good relations all through the years of national rule. For instance, the 1965 Round Table Conference and the proposed 1968 constitution stand as adequate evidence for mutual understanding. The forementioned land marks disprove the allegation that agreement between Southerners and Northerners is impossible.

The thing that complicates the Southern question is no doubt, the intervention of the foreign powers. There is no way to resist this foreign intervention unless we strengthen and intensify the dialogue between the leaders of both parts of the country so as to build mutual confidence that stands against foreign penetration.

Secondly the parties and government in the North are supposed to direct their efforts towards addressing the masses in the South at the grassroots level. These efforts must be directed towards paying more attention to the South and building a diversified yet united society.

According to your answer it seems as if you think the proposed constitutional conference is not likely to solve the Southern problem?

Yes. We have to be frank on this issue. We have already excercised three unsuccessful compromises: the Juba Conference (1947), the Round Table conference (1965) and the Addis Ababba Accord (1972). So as not to get frustrated in the fourth experience we should not put all our eggs in the basket of the constitutional conference. It should be viewed only as being a station where we can come to a cease-fire agreement, a point where we can achieve the goal of maintaining the maximum degree of mutual understanding between the disputing parties. If we could achieve these goals through the constitutional conference it could be rated as a successful conference.

Along with the security question there is also the question of how to put right the ailing economy. How do you view this problem?

The Sudanese economy, as I see it, is not that hopeless a case. The problem lies in the absence of adequate long-term and short-term economic policies that can reverse the Sudan's economic decline.

On the other hand the economic reform which we need is itself in need of a strict government implementation. The strict implementation can't be guaranteed unless there is adequate public supervision. It also requires uncompromising leaders who will not yield to pressures mounted on them, and who leave no room for corruption. The Sudan is very rich with resources. The essence of the problem lies in creating satisfactory political structures, capable of using them effectively.

Does it seem probable for you that due to some new alliances that may take place inside the parliament, the INF will participate in a new cabinet?

The alliances we witnessed in the Sudan have naturally been very unstable. The current alliance seems even weaker because it is faced by formidable

challenges. The opposition will not be concerned with the struggle for the dissolution of the government. We will adopt a method that attempts to point out the wrongs to be corrected, even if this leads to the dissolution of the government. In that case we will be ready to join a government based on clear principles and formed of leaders who are ready to bridge the gap between their ideals and their actions.

Based on the results of the last elections, can we conclude that the INF has opted for democracy as a sole means for power?

The Sudanese Islamic Movement has since its birth, opted for open, popular political action. It is because of this it threatened the oppressive dictatorial regimes, especially those regimes which tried to bar its way towards addressing the masses. Thus the Sudanese Islamic Movement could easily develop into a tremendous popular movement as has been demonstrated by the results of the April .elections. Some other Islamic movements abroad have been swinging between elitism, popular work or using the military to topple the regimes they oppose. In the Sudan we have always focused on the option of open popular work, and that is why we succeeded. This new vision has disturbed the other forces both locally and internationally. They have been afraid that if the INF continues its work in this way it will attract huge support.

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ISRAEL NAVY 'DECLINING'; NEW HELICOPTER REVEALED

Jerusalem THE JERUSALEM POST in English 30 Jun 86 p 4

[Text]

The Israel Navy yesterday revealed its latest acquisition, an anti-submarine helicopter which will boost the service's attack capabilities. At the same time the commander of the Navy warned that if the government did not take some crucial decisions soon about upgrading the fleet, "then there will be no Navy in 1992."

Referring to plans to equip the service with Saar V missile boats and new submarines, OC Navy Aluf (Maj.-Gen.) Avraham Ben-Shushan said that eight to 10 years were needed to plan, develop and produce a major weapons system. The authorities have spent years evaluating and re-evaluating these systems, but they still exist on the drawing board only.

"The time for reflection and consideration of alternative solutions has passed," stressed Ben-Shushan.

Contracts have to be signed with the Americans by the beginning of next year to meet the 1992 target date for equipping the fleet with Saar V missile boats and new Dolphin-class submarines, Ben-Shushan told reporters in advance of Navy Day, being marked today.

The Arab navies are not marking time and are reinforcing their fleets with the latest weapons from the East and West. The principal naval threat facing Israel is the Syrian navy, which has up-to-date Ossa II missile boats, submarines and anti-submarine helicopters. The Soviet-supplied Sepal ground-to-sea cruise missile in the Syrian arsenal has a 300-kilometre range and is almost capable of hitting Tel Aviv, said Ben-Shushan.

Because of financing problems, Israel has been forced to turn to the U.S. to help upgrade its fleet. The whole budget for re-equipping the fleet was "a mere $1.2 billion. The accounting mistakes in the Lavi programme could pay for the Navy's building plans," said Ben-Shushan. The cost would be some $520m. for the missile boats in the U.S. and about $450m. on submarines, more than half of this to be spent in Israel.

Since there are no shekels to finance building the Saar V boats in Haifa, which has the expertise to construct them, the craft will have to be built in the U.S. But since the U.S. Navy opposes building diesel submarines, they will have to be built elsewhere. The Israel Shipyards does not have the expertise to construct a complete submarine in Haifa so they will be built partly in Europe and finished in Haifa, said the commander.

Ben-Shushan noted that the recent visit by a U.S. delegation headed by Assistant Under-Secretary of Defence Dov Zakheim had found that all the Navy's figures for the development and production of new craft had been correct, and had required only a decision on the political level to proceed.

The IDF's new helicopter, the Dolphin, is a development of the

French Aerospatiale Dauphin and is manufactured for the U.S. Coast Guard by Aerospatiale Helicopter Corporation in Texas with engines and equipment of U.S. manufacture accounting for about 60 per cent of the total cost of each aircraft.

According to *Jane's All the World's Aircraft*, two Dolphins, procured with U.S. foreign military sales funding, have been delivered to Israel for evaluation to meet a requirement for up to 20 helicopters for the IDF. The Dolphin revealed yesterday was described as an anti-submarine weapon and Ben-Shushan said that it had "widened the navy's horizons."

The U.S. Coast Guard uses the aircraft for short-range recovery (rescue) missions and according to *Jane's* it has a range of 760 kilometres at a maximum speed of 200 kph.

The Dauphin from which it was developed has various attack configurations and the French manufacturers fit these craft with air-to-surface missiles and anti-submarine detection devices which are lowered into the water. Other versions can detect threats over long ranges while tracking 10 targets simultaneously. In addition to attacking hostile warships, the helicopter can be utilized for coastal surveillance and ship escort duties, and to provide over-the-horizon target destination for long-range anti-ship missiles launched from ship to shore.

The Israeli Dolphin is carried on Saar IV missile boat and is flown by three IAF crewmen under the orders of the ship's commander.

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JERUSALEM MAYOR INTERVIEWED ON DEMOGRAPHIC TREND

Tel Aviv SPECTRUM in English No 6, Jun 86 pp 18-21

[Text]

Mayor Teddy Kollek personifies the spirit of the united city. He himself is a political paradox: a Labour man in a Likud town, a secular Jew in an increasingly religious city, a master builder who opposes settlement in the West Bank. He spoke to Spectrum about the city's past and future

SPECTRUM. It sometimes seems that the agenda of Jerusalem is a national Israeli agenda rather than a world Jewish and municipal agenda. Yet you have complained about not receiving enough attention from the Israeli government.

Kollek There is no contradiction between the beginning and end of your question. All Israel governments, and I say this very clearly, are run on a colonial government basis with regard to municipalities.

We are living under a British municipal code. It is one of the few codes that has not been changed. Every little thing depends on the government. We are not responsible for anything. Or, we are responsible but do not have the authority to accept that responsibility.

In this there is no difference between Likud and Labour governments. Also the government does not give the city the means it needs. We are 200 classrooms short in the Arab education sector. So 20,000 children are being educated in places over which we have not the slightest control. This is just one example. We do not try to educate Zionists in Arab schools. This is not our purpose and would be an unachievable goal. But in the municipality's [Arab] schools there has never been a strike nor a demonstration, no Arab flags are raised, no tyres are burnt. Their teachers participate in teachers' seminars and meetings. There is a reasonable relationship. In schools over which we have no control the situation is different.

The question of means is relevant but even more important is the question of sharing responsibility. Greater power for the municipality means greater power for Jerusalem's neighbourhoods and a chance for self government. One of Israel's problems developed in 1948 with the establishment of the state. People began to believe that "the state can do it". The state is only its people, but there was some kind of an image created that the state apparatus could take over and there was a retrogression in volunteering. In civil questions the spirit of volunteerism is lacking. We are trying to introduce it into Jerusalem. Talk of democracy is only theoretical. Without practical application it means nothing.

Many analysts say religious-secular tensions among Jews may be Jerusalem's most serious problem. Do you agree? Why has the city been relatively more successful in fostering Jewish-Arab and Jewish-Christian coexistence than in finding a modus vivendi for religious secular coexistence?

There is an exaggerated fear of the secular by the religious. But let's start with the secular. I believe that there is a psychosis that the religious are winning out and in a short period this will be a city ruled by the ultra-Orthodox groups. This is not so. Over the last two decades we have made tremendous progress with regard to the general character of the city. We now have theatres, music, an annual festival, a cinemateque which is filled every evening with 1,000 people. We have a pedestrian mall where people sit out in the cafés. But we have also to contend with a feeling of some, that theirs is the only way of Jewish religion. It is not. There is a great Reform centre going up which is already active and brings a few thousand youngsters to Israel every year. This fear that is being conveyed prevents people from coming here and it is a psychological barrier that we ourselves create. And we also fall into the trap of the Orthodox who say they are the only ones who maintain religion. Secular Jews somehow absorb this idea. Maybe this is true, maybe we are lesser Jews. Between this and the desire of both large parliamentary parties to keep the option open to have a coalition with the religious parties – which means a greater giving in to their demands – the pressures on us here in Jerusalem grow.

There is no comparative situation with the Arabs or the Christians. Until two or three years ago religious-secular cooperation worked extremely well. Agudut Israel [an ultra-Orthodox party] was a good and faithful member of the city coalition. I think we should satisfy legitimate Orthodox needs for schools and more services.

In Jerusalem we must show more respect toward traditions than in Herzliya or Haifa. Jerusalem obligates. This is an internal debate. There are many people in the Labour Party who are against it.

What about the city's demographic trends?

The ultra-Orthodox are increasing by four or five hundred families a year. Partly because of large families and partly because of some immigration. But this will not necessarily affect the character of the city now, maybe in 10 or 15 years. Until then the pendulum may well swing.

On the other hand, we have the cultural activities already mentioned. In the Israel Museum 15,000 young children are active in painting, sculpting and dramatic activities. All this is a counterweight against ultra-Orthodoxy.

The success of your public relations, fundraising efforts and tolerant administration is legendary. Outside of Israel you seem to be more universally accepted than the principle of the indivisibility of Jerusalem as Israel's capital. Most countries which maintain diplomatic relations with Israel maintain embassies here in Tel Aviv. How successful is the campaign to gain international recognition for the united Jerusalem?

This is a very difficult area and I think many things being done in Israel are counterproductive. Prime Minister David Ben Gurion's 1949 declaration makes all the necessary statements about Jerusalem being the capital of Israel, that no foreign interference, United Nations or otherwise, will ever change this. Over many years we brought gradually 17 or 18 embassies to Jerusalem and progress was continuing. Then we had this stupid "Jerusalem Law" of [Techiya MK] Geula Cohen declaring Jerusalem the capital. There is no law about London or Paris being the capitals of their countries. As a result all these embassies left. Guatemala has come back. Maybe El Salvador is coming back. We recently asked one head of state to return his embassy to Jerusalem. He said, 'Why do you ask me to repair the mistakes of Geula Cohen?' A much stronger government leadership is needed. It is very difficult to renounce such a law once it exists. But certain steps could be taken to show the goodwill of the government. And it would help.

We are making slow progress. Last week United States Attorney-General Edward Meese was here and travelled all over the city with me including East Jerusalem, what used to be Jordanian territory. Until a year ago no major American representative went to East Jerusalem accompanied by an Israeli official.

How did Likud settlement policies affect Jerusalem?

Jerusalem was badly harmed by settlement of the West Bank, particularly by settlements ringing the city. In 1967 the boundries of Jerusalem were drawn up comparatively large. New suburbs larger than many cities in Israel created the boundary. Gilo will soon have 40,000 people. Ramot will have 30,000 people. That is larger than Karmiel or Kiryat Gat and double the size of Dimona. These new neighbourhoods did not receive the same support as small places in the West Bank. There is no settlement in the West Bank without a synagogue. Almost all West Bank neighbourhoods have swimming pools. The government did not do the same for Gilo or Ramot.

But the settlements a few hundred yards from here denuded Jerusalem of Jews. According to our town plan there is room for another 30,000 building units for Jews without requisitioning a single inch of additional land from Arabs. This should be filled before going to other places. I am against settlement on the West Bank not because I believe giving up that territory will bring us peace. We shouldn't give up anything we really need. But I think the West Bank is bad for us.

Under your tenure Jerusalem has changed. It is much larger, the cultural reality is more diverse and developed. On balance, is there anything that you miss about the older, smaller, more intimate capital? If you had to do it all again, is there anything you would do differently?

On the whole, no. I think we have a good record from the point of view of town planning, we have a good record from the point of view of relations with everybody. We have not driven home the fact that there have never been more Torah studies anywhere in the world than in Jerusalem, and that could only happen in a Jerusalem under an Israeli government which supports religious study and a city of Jerusalem which treats the ultra-Orthodox respectfully. I think we would act the same way toward the Orthodox and toward the Arabs.

The greatest mistake we made is that we have not more Jews here, partly because of the settlements around Jerusalem. Maybe I should have resisted louder than I did to the Jerusalem Law. I don't know. I know of many small mistakes, and we're making them every day. But I don't think we made any great mistakes in policy □

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CENTRAL BANK, BANKERS' ASSOCIATION REACH COMPROMISE

Nicosia MEMO in English 26 Jun 86 p 19

[Article by Jeannie Yamine]

[Text] Lebanon's central bank and the Lebanese Bankers' Association have reached a compromise agreement reversing the most controversial measure recently imposed by the Banque du Liban in an attempt to prop up the country's currency. Jeannie Yamine has more details on the settlement of the Banque du Liban/Bankers' Association dispute.

The May 30th agreement ends a three-month conflict between the Banque du Liban (central bank) and the Lebanese Bankers' Association over the former's hiking of commercial banks' legal reserve requirement from 18 percent to 22 percent of total deposits. Another bone of contention between the two parties was the central bank's March decision to sell Treasury bills directly to the public.

The 10-point agreement was announced by Lebanon's prime minister, Rashid Karami, after four weeks of intensive and often heated negotiations. Under the new agreement, the non-interest bearing legal reserve requirement is set at 10 percent of commercial banks' deposits in Lebanese pounds.

The agreement also calls for the following:

— Banks with total deposits amounting to less than LL 1 billion are required to keep 15 percent of their deposits in Treasury bills.

— Banks with total deposits over LL 1 billion must keep 30 percent of their deposits in Treasury bills.

— The legal reserve requirement for banks which have subscribed in Treasury bills 50 percent of their deposits is 8 percent.

— The central bank will discount Treasury bills to commercial banks that subscribe over 30 percent of total deposits. The discount facility will cover a proportion of subscribed bills equal to the percentage margin by which banks exceed the 30 percent mark. The discount rate is calculated on the average return on Treasury bills, plus 2 percent.

— The central bank retains the right to discount Treasury bills in special cases, according to conditions it deems appropriate.

— The penalty interest for failure to comply with the legal reserve requirement is 120 percent.

— The legal reserve requirements are calculated twice a week.

— Credit ceilings are 60 percent of total deposits in Lebanese pounds.

The agreement, which went into effect on June 10th when the central bank issued Circular 657, also calls for the formation of a committee in charge of maintaining the dialogue

between the central bank and the Bankers' Association.

Not everyone was happy with the compromise. According to a French-language Lebanese economic weekly, some members of the Bankers' Association believe the new agreement favours larger financial institutions by lumping commercial banks into two major categories (those with deposits under LL 1 billion and those with deposits over LL 1 billion).

A majority of Lebanese banks fall under the first category and will now be required to keep 15 percent of deposits in Treasury bills (compared to 30 percent previously). Meanwhile, the larger banks have seen their required deposits in Treasury bills cut in effect by up to 40 percent.

Another feud, this one pitting the central bank against the Ministry of Finance has also been settled for the time being. At the root of the bad blood between the two institutions is the central bank's recent refusal to extend further credit to the Treasury.

The matter came to a head in late May when the central bank refused to open letters of credit for petrol imports. The refusal produced one of the worst petrol shortages in Lebanon in 11 years of war.

The central bank, whose claims on the Ministry of Finance had reached LL 17.7 billion by mid-April, views the Treasury's seemingly unbridled expenditures as one of the causes of the local currency's depreciation. It is also concerned that the extension of a further line of credit would only fuel an inflation rate that is currently running at 50 percent a year.

The move by the central bank produced vitriolic exchanges in the media between Governor Edmond Naim and Finance Minister Camille Chamoun. Not until yet another mediation effort by Prime Minister Rashid Karami did tempers begin to cool and a compromise reached. The Banque du Liban has pledged up to LL 10 billion in loans to the Treasury between now and the end of the year.

Meanwhile, the Lebanese pound continued its plunge, closing at a record low of LL 39.75 against the dollar on June 11th. Since January, the Lebanese pound has lost almost 50 percent of its value. The latest slide was attributed to the Amal-Palestinian clashes around the West Beirut refugee camps.

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PAPER REPORTS ON SOARING PUBLIC DEBT RATIO

Nicosia MEMO in English 26 Jun 86 pp 16-18

[Article by Dr Nasser Saidi]

[Text] Lebanon has one of the highest ratios of public debt to income in the world, as well as one of the highest fiscal deficits as a proportion of national income. In the second of a three-part series, Dr Nasser Saidi discusses the effects of Lebanon's 11-year war on public finances.

In accord with a general liberal economic policy stance and a "laisser faire" approach, the prewar period reflects a limited role for government both in terms of the size of the public sector and in terms of scope of activities. The government did not play an active role in the development of the economy, nor were there any serious attempts at counter-cyclical economic policy.

As a proportion of GDP, the size of the government sector averages 14.3 percent with relatively little variability.

The war period has led to a radical change in the importance of government in the structure of the economy. The growth of government expenditures has been faster than price inflation, and the average growth rate of real spending for the 1975-1985 period is about 5 percent per year.

Since aggregate output and real income was falling during this period the net result has been a tripling of the relative size of government. The share of government in GDP is now running at more than 45 percent, having risen in every year since 1976 (table 1).

Table 1

Government Expenditure
1974, 1982-1985
(In LL million)

	Government Expenditure	Real Government Expenditure	Gov't Exp. to GDP	Growth Rate of Gov't Exp. %
1974	1219	1219	14.9	7.3
1982	9120	2260	37.6	2.3
1983	9974	2306	39.2	2.0
1984	11774	2313	42.3	0.3
1985	19330	2238	45.4	-3.3

Sources: Saidi (1984); Bank of Lebanon; Beirut Chamber of Commerce

Several factors account for the continued growth of government spending. First, unlike the private sector, the government has not laid-off workers, employees and bureaucrats despite large-scale absenteeism and low productivity.

Indeed the size of the public sector workforce has increased both in total numbers and as a share of the total economically employed labour force. Further, wages and salaries have been raised over the years to partially adjust for inflation.

Second, the government has been actively subsidising the price of a number of commodities — namely petrol, sugar and wheat — and domestic prices were maintained at a fraction of world prices. Indeed it is highly ironical to note that the Lebanese government and, consequently, the general public have been subsidising petrol consumption in Syria, Jordan and Israel over the war years, since subsidised petrol was smuggled across the borders on a large scale. [In 1986, the petrol subsidy stopped, but merely because world oil prices have declined at a faster rate than the Lebanese pound has been depreciating. This is temporary since even though world oil prices may remain at current depressed levels, the Lebanese pound is likely to depreciate at a rapid pace and the subsidy will return.]

Third, since 1982 defence spending by the central government has been rapidly increasing and is the single largest item in both budgeted and actual spending. In conjunction with so-called "reconstruction expenditure", military spending has led to a sharp upsurge in total government spending.

Fourth, past deficit spending has implied a dramatic increase in the public debt and consequently in interest payments on the public debt. This latter component of total government expenditures is the fastest growing of all: interest payments on Treasury Bills have risen from LL 139 million in 1980 to LL 1,425 million in 1983 and are now running at more than LL 5.5 billion, both because of the rise in the Treasury Bill rates and the rise in the size of the outstanding debt.

Indeed it is likely that interest payments now exceed total government revenue, which is an impossible situation to sustain. Eventually, in the very near term and in the absence of a radical change in public finances, the government will have to resort to the "inflation tax", that is money finance of its budget deficits.

Tax revenue

Though warfare has not prevented the government from increasing spending, it has had disastrous consequences for revenue. The war-induced decline in income along with the difficulties and inefficient tax collection have caused a decline in tax revenue proportionally higher than the underlying decline in the tax base (table 2).

By 1984-85 total revenues corrected for price inflation had declined by more than 50 percent relative to their 1974 level, and the share of taxes in GDP had declined to little over ten percent.

Several factors contributed to the decline in revenue during the war period. First, tax and non-tax revenue are a function of tax rates and the evolution of the underlying tax base. The decline in aggregate income because of the war, itself implied a fall in the tax base and consequently in revenue. The second reason for a decline in revenue was, the inefficiency and inability of collecting taxes due to the lack of authority of the state and the breakdown of the judicial system and enforcement of laws.

By far the most visible case is that of customs and trade tax revenue where ports are in the hands of various private parties or militias. However, private parties and militias have also been able to control the collec-

Table 2

Tax Revenue
1974, 1982-1985
(In LL million)

	Tax Revenue	Real Tax Revenue	Tax Rev to GDP	Growth Rate of Revenue %
1974	1270	1270	15.6	15.2
1982	2926	725	12.1	-15.4
1983	2981	698	11.7	-3.8
1984	3287	646	11.8	-7.8
1985	4858	562	11.4	-13.9

Source: Saidi (1984) (1985); Bank of Lebanon; Beirut Chamber of Commerce

Table 3

Revenue Losses, 1975-1985
(In LL million)

	Actual or Estimated Revenue	Expected Revenue	Revenue Loss	% Loss
1975	799	1200	-401	-0.33
1976	152	859	-707	-0.82
1977	1439	1519	-80	-0.05
1978	1476	1721	-245	-0.14
1979	1920	2252	-332	-0.15
1980	2190	3005	-815	-0.27
1981	2878	3634	-756	-0.21
1982	2926	3936	-1010	-0.26
1983	2981	4141	-1160	-0.28
1984	3287	4566	-1279	-0.28
1985	4858	6897	-2039	-0.3

Notes: Col (2) expected revenue based on the relationship between income and tax revenue
Col (3) = col (1) - col (2)
Col (4) is equal to col (3) as a percent of col (2)

tion and disposal of revenue within existing and functioning government administrations.

Third, the Lebanese tax system is not responsive to inflation: various duties, charges and rates are on a specific basis and do not rise with price inflation. The absence of any indexation of revenue to the inflation rate and price increases generates a tendency for real revenue to decline as inflation rises. This last factor as a source of loss of revenue has become more important in the past two years as inflation has accelerated.

How important has tax evasion and inability to collect taxes been over the war years? On the average, revenue would have been higher by about 30 percent in the absence of inefficient tax collection and evasion (table 3). Note that this refers to total tax revenue. For particular sources of revenue such as customs, the loss rate is probably much higher and in the region of 80 to 85 percent.

Deficits and public debt

The net result of the diverging evolution of government spending and revenue over the 1975-85 period is the emergence of a structural budget deficit and an explosion of government indebtedness to finance the ever rising deficits.

In the pre-1975 period, deficits or surpluses were small and rarely exceeded 1 percent of GDP. However, beginning in 1975, budget deficits have risen to an incredible 36 percent or 53 percent of GDP by 1985 depending on the measure of the budget deficit. (The budget deficit can be measured by using) the difference between reported/estimated government spending and revenue (or by using) the change in public debt on an annual basis as a measure of the budget deficit on the financing side (table 4).

The important feature is that under either definition the budget deficit is large, is growing faster than inflation so that the real deficit is rising, and has been accelerating as a fraction of GDP. Indeed, few countries except those approaching a hyper-inflationary situation appear to have attained such high deficit ratios.

The pattern of the evolution of debt is consistent with the evidence on government spending, revenue and deficits. Over the prewar period the public debt, both in nominal terms and relative to income, was small. The public debt to income ratio fluctuated around an average 2.1 percent of GDP, with a tendency to fall over time. The debt ratio and budget deficit tended to rise during recessions — as over the period 1967-1970 — and to fall when income was above trend, as during 1972-1974.

The fall in the debt-income ratio was rapidly reversed by the war. From a low of less than half a percent of GDP in 1975, the debt ratio has taken successive jumps to reach over fifty percent in 1982, and by 1985 was more than 125 percent.

The growth of public debt in Lebanon is explained by the following factors:

(1) The rise in real government spending relative to the normal level of spending. Each 10 percent increase in government spending raised the debt growth rate by about 6 percentage points. In particular, the high growth rates of debt in 1977 and since 1981 are largely attributable to increased government spending.

(2) The persistent decline in real income below trend which caused a fall in tax revenues. The evidence is that each 10 percent fall in income relative to trend has raised the debt growth rate by about 5 percentage points. The decline in income has been the single most important factor in accounting for the growth in debt over the war period.

(3) The evidence shows that the growth rate of debt has increased at the same rate as the increase in expected inflation. Expected inflation rates have increased by about 13 percentage points on the average over the period 1977 to 1985. Hence the inflation factor raised debt growth rates by an average 13 percentage points per year.

In summary, the average growth rate of debt over the war period 1975-1985 is 63 percent per year. Most of the growth is accounted by the real income factor, 37 percent per year, government spending added on average 13 percent per year and the inflation factor contributed another 13 percent per year.

A public debt collapse?

The government has mainly financed its deficits by issuing Treasury Bills which are held by the commercial banking system, and by borrowing from the central bank. In addition, the government has used the provisions of article 115 of the code of Money and Credit.

Article 115 credits the account of the Treasury at the central bank with

Table 4

Government Deficits
1974, 1982-1985
(In LL million)

	(1) Nominal	(2) Real	(3) GDP %	(4) Nominal	(5) Real	(6) GDP %
1974	-51	-51	-0.6	-2.8	-2.8	-0.3
1982	6194	1535	25.5	7086	1756	29.2
1983	6993	1616	27.5	7637	1765	30.0
1984	8487	1667	30.5	9656	1897	34.7
1985	15281	1769	35.9	22769	2636	53.4

Notes: Col (1) is government expenditure minus taxes at current prices
Col (2) denotes deficit measure in col (1) at constant prices
Col (3) is ratio of deficit measure in col (1) to GDP
Col (4) is change in domestic public debt
Col (5) is col (4) at constant prices
Col (6) is ratio of deficit measure in col (4) to GDP

Sources: Bank of Lebanon; Beirut Chamber of Commerce

the foreign exchange revaluation gains (or losses) on the Bank's holdings of gold and foreign exchange. This means that the Treasury is credited on its account when the Lebanese pound depreciates on the foreign exchange market.

This provision creates a vicious circle: exchange rate depreciation leads to revaluation gains, the Treasury utilises these gains to finance its spending, in turn this leads to an increase in the money supply which adds to the pressure on the Lebanese pound on the foreign exchange market leading to further depreciation and further revaluation gains, and so on.

In April 1986, the central bank introduced new restrictions on commercial banks' credit allocation and asset portfolios. Essentially these imply that a rising proportion of funds will have to be placed in Treasury Bills, and implies that banks will mainly be brokers and financiers of the Treasury.

In the final analysis, there will be no difference between currency and Treasury Bills except that the latter pay interest, since they are sold at a discount. However, this can only be a transitory phase. As we have seen, interest payments on the public debt currently exceed total government revenue.

This means that public debt would be growing at a geometric rate and on an explosive path. In the absence of a radical fiscal reform involving an immediate and very substantial cut in government spending and accompanied by revenue raising measures, the only policy option open to the government will be to finance its budget deficits through money creation and the inflation tax. Inflation would reduce the real obligations of the government and under existing conditions is the only remaining feasible option.

Dr Nasser Saidi presented his paper "Economic Consequences of the war in Lebanon" at the May 5-6 Paris Conference on Lebanon organised by the Institut Francais des Relations Internationales. In the third and last part of the series, Saidi reviews the problem of inflation rate and exchange depreciation in Lebanon between 1974 and 1985.

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TELECOMMUNICATIONS LINKS WITH RURAL AREAS ENHANCED

Muscat TIMES OF OMAN in English 3 Jul 86 p 14

[Text]

Improved telecommunications links with the rural areas of Oman will mark the begining of the first phase of the third five-year plan by the Ministry of Posts, Telegraphs and Telephones.

The present telecommunication services offered by the Ministry would be extended to the Interior as well. The PTT Minister, Ahmed bin Suwaidan al Balushi, said that rural communication project, which would be completed by the end of this year, would cover 39 villages along the Batinah coast.

He said: "Completion of this project would make communication easier with the areas around Batinah coast, which is being developed and has seen a growth in population."

The Minister this week signed two agreements with private companies for the construction of telephone exchanges and installation of 350 public telephone booths.

A private company, the Target, will construct seven telephone exchanges at an estimated cost of RO 1,700,000 at Birka, Ibra, Saham, Khaboura, Suwaiq, Rustaq and Qurayat.

The second agreement was with Saud and Suhail Bahwan for installing 350 public telephone booths throughout the Sultanate. At present there are 50 booths installed in Oman, mainly in the Capital Area.

Mr Balushi said: "The new public telephone will be installed at places such as souqs, hospitals, and other more accessible places for the users."

He said that public telephone booths will also be installed along the road to the Southern Region, mainly at petrol filling stations.

The installation of the 350 public telephone booths will cost an estimated RO 195,031, he said.

Mr Balushi said: "We have already installed card system public telephones at the airport but in the near future we will instal more such telephones at hospitals and other public places."

The cards costing RO 5, are easily available, he said, and are used instead of coins.

Mr Balushi said that the exchange of television programmes with other countries has started with the help of Arabsat and soon some of the Arab countries, including Oman, would start broadcasting their local programmes through Arabsat.

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BRIEFS

ADEN EMBASSY TO OPEN--Oman and the People's Democratic Republic of Yemen will open embassies in Aden and Muscatt next year, Sayyid Haitham bin Tareq al Said said in an interview on Monday. The Political Affairs Under-Secretary said the Border Demarcation Committee will hold its next meeting in Aden in December. Sayyid Haitham also said Oman would offer all assistance to PDRY to accelerate Aden's economic drive. He said the recent visit to PDRY of Minister of State for Foreign Affairs, Yusuf bin Alawi bin Abdalla, was successful. The Under-Secretary said Oman and Algeria had decided to expand relations following a visit to that country by Mr Abdallah. SAyyid Haitham's interview with the Oman News Agency covered a wide range of other topics of regional importance. [Text] [Muscat TIMES OF OMAN in English 17 Jul 86 p 1] /9317

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COUNTRY FACES WAR RUMORS, ECONOMIC SLUMP

Nicosia MEMO in English 26 Jun 86 pp 8-10

[Article by Christos Anastassiades]

[Text] Tension between Syria and Israel has subsided from its peak in early May, but remains just below the surface as the two states continue to accuse each other of preparing for war. Christos Anastassiades looks at the rumours of war between the two countries as well as Syria's economic problems at home.

Israel's Defence Minister Yitzhak Rabin attributed the origins of the recent tension between Israel and Syria to the latter's poor economic performance. This, Rabin argued, could prompt Damascus to launch an attack against Israel.

In retrospect, though Syria's economic difficulties are very real, Rabin's forecast proved to be wrong as later developments raised fears that Israel, not Syria, might initiate military action.

Some observers speculated that Israel could possibly launch an attack against Syria in May. The reason being that Syria was improving its military might, a development that could invite a pre-emptive strike by Israel intended to damage or even cripple vital military installations.

The pretext for such a raid could be readily available as Syria was being accused of alleged involvement in the attempted bombing of an El Al aeroplane at London's Heathrow airport in April. Given the precedent established by the April 15th raids on Libya, Israel could venture a similar "retaliatory" attack against Syria.

There was also the Chernobyl nuclear disaster which attracted world attention for days, if not for weeks. Israel has established a record of taking drastic steps when world opinion is concentrated away from the Middle East: the 1956 invasion of the Suez almost coincided with the crisis over Hungary; the 1981 annexation of the Golan Heights came only days after the martial law declaration in Poland; the 1982 invasion of Lebanon occurred in the midst of the crisis over the Falkland islands.

In short, the overall regional and international environment was one Israel could well exploit. Apparently, other considerations prevailed (perhaps the Soviet-Syrian friendship treaty) and no attack occurred. However, the tension also focused attention on the two countries' problematic economies which are also possible sources of instability in the region.

Indeed, the Syrian-Israeli war of nerves came at a time when Syria's economy is confronting major difficulties. Not that Israel's economy is in much better shape. But while the Israeli economy recently showed

signs of improvement, Syria's revealed signs of deterioration, especially in the field of foreign exchange availability.

Overspending on defence

Last March, Israel's Defence Minister Yitzhak Rabin said Syria's foreign exchange reserves could barely suffice for 20 days' worth of imports (Syria's foreign exchange reserves are thought to be about $100 million). The statement accurately pinpointed the major problem confronting the Syrian economy.

What foreign exchange shortages essentially involve is a combination of overspending and inadequate earnings. Predictably, there is an area where Syria is really overspending and that is defence.

For one thing, Syria is an Arab front-line state which could potentially be vulnerable to an Israeli attack. For another, a basic objective of President Assad's administration is the achievement of military parity with the Jewish state, a target that requires massive spending considering Israel's undeniable capabilities in the military field. Syria's defence expenditure reached $3.3 billion in 1985, accounting for about a third of total budget expenditure.

At a time when defence needs continue to be high and the relevant budget is always hard to trim, Syria faces a drastic squeeze of its earnings. Problems here are multiple. Iran is reportedly terminating aid to Syria while the Arab Gulf has already reduced its annual subsidy to Damascus. Moreover, the overvalued Syrian pound led to a situation where a sizeable portion of foreign exchange remains beyond official control.

Economic relations with Iran

Ever since Syria closed the Iraqi-Syrian pipeline to the Mediterranean in April 1982, Iran became a supplier of cheap oil for Damascus. Iran was said to be providing Syria with about 1 million tonnes of free crude annually while selling another 5 million tonnes at discount. This was largely meant to reward Syria for its political support for Iran and to compensate for the losses incurred by the Syrian economy as a result of the Iraqi-Syrian pipeline's closure.

According to Iranian officials, total in-kind aid to Syria was in the region of $280 million annually. This was in addition to various loans extended by Iran to Syria.

However, the Iranian-Syrian honeymoon seems to be ending. Iran's own economy is confronting the double pressure of the oil recession and the Gulf war. As a result, its economic capabilities have become limited. The Iranians are also upset by Syria's inability to repay loans amounting to more than $1 billion. The Syrian-Jordanian rapprochement only added to Iran's restlessness over the cost of Syrian support.

Not unexpectedly, last March, Iran announced it would terminate shipment of free oil to Syria and said it would only be willing to offer the discount facility, equivalent to about $2.50 per barrel. Therefore, Syria is essentially deprived of the privileges it was allowed to enjoy so far.

This development could squeeze the Syrian economy even further — unless, of course, Syrian-Iranian friction prompts Gulf states to rush by Syria's side. Already, Jordan is engaged in an attempt to achieve some sort of reconciliation between Syria and Iraq.

Despite the tremendous odds against such a reconciliation, reports note that King Hussein's mediation efforts late last month seem to have produced a positive, albeit tentative, response in Baghdad and Damascus. Some reports even suggest that, following Jordanian mediation, it may not be long before the Syrian-Iraqi pipeline is re-opened. Indeed, by June 1st the Iraqis were said to have already sent a delegation to Damascus for preliminary talks on the future of the pipeline.

Gulf aid reduced

During the 1978 Arab summit in Baghdad, Gulf Arab states pledged

to provide Syria with annual aid worth $1.8 billion. This was designed to alleviate Damascus' economic burden which was great given its position as an Arab front-line state. Since then, however, things have changed in at least two important ways.

One is that the oil-rich Arab Gulf is confronting the oil recession which has meant, even for the rich states of the region, that money is no longer as abundant as it used to be. Consequently, foreign aid had to be curbed.

Second, the continuing Gulf war and the ensuing threat to the region from Iran ensured that aid to Iraq became more of a priority than aid to Syria. Indeed, Iraq's share has been extraordinarily high. Since the Gulf war started some six years ago, Gulf aid to Iraq is thought to have reached $25 billion.

To the economic limitations of the Gulf countries one could also add their dissatisfaction with Syria's support of Iran in its conflict with Iraq. Both economic and political considerations therefore resulted in Gulf aid to Syria being reduced to less than $1 billion annually.

Black market

Another problem confronting Syria stems from its overvalued currency and the resulting flourishing of a black market. Considering that the official nominal value of the Syrian pound is as much as four times higher than its real value, significant quantities of foreign exchange, including remittances from Syrians working abroad, end up in the black market rather than in official financial institutions.

The Syrian pound was recently devalued by 12-18 percent against foreign currencies mainly in an attempt to boost exports. The devaluation was also partly meant to attract more remittances from Syrian expatriate workers, though even after the devaluation, the black market exchange rate remained much more attractive than the official one.

Implications

One evidence of contraction in the Syrian economy is the decline in its trade. The total value of Syrian trade fell from $6.08 billion in 1983 to $5.65 billion in 1984. It is likely to drop below the $5 billion level in 1986. The country's trade deficit in 1985 was estimated at about $2 billion while its current account deficit ran at around $1 billion.

Although the standard of living in Syria is known to be tolerable, signs of hard times are already visible. These have so far taken the form of occasional power cuts and shortages of various items including foodstuffs. As it is, the situation has not yet assumed serious proportions but food shortages could potentially have destabilising effects at the political level as well.

A campaign to eliminate waste and increase efficiency, especially in the bureaucracy-burdened public sector is already underway. Reports say the Syrians would like to curb public expenditure by at least 6 percent. Moreover, Damascus' current economic efforts are turning towards combating inflation, stabilising prices and allowing Arab capital to be invested in Syria.

The government has also been cracking down on the thriving parallel economy. Since April, the Syrians have been clamping down on the lucrative black market conduit through Lebanon and have made several arrests.

At the same time, however, there was a move which some observers see as an attempt to "liberalise" the black market. Thus importers no longer have to identify the source of their foreign currency holdings. This could presumably encourage black marketeers but it could also help the government monitor foreign exchange outflows and imports.

Dilemmas

The crackdown on the black market revealed that the Syrian authorities

do not want it to become too influential. On the other hand, what could effectively eliminate the black market would be an arrangement whereby the pound is allowed to float freely against foreign currencies. Considering that the Syrian currency is presently substantially overvalued, a free floating arrangement would be virtually equivalent to a massive currency devaluation. This could lead to price hikes which is probably part of the reason why the Syrian authorities do not seem to be considering such an option.

Some cautious steps to encourage private initiative, such as the removal of the requirement that importers should identify their sources of foreign exchange, have been taken. On the other hand, the Syrian authorities must be concerned that if the private sector is allowed to become too influential, the security of the regime, which is largely owed to the highly centralised political structure, may be jeopardised.

Internal security is of paramount importance to the Assad regime which was shaken on April 16th by a series of explosions and bombings throughout Syria which killed more than 100 people. The Syrians first blamed Israeli agents and their Lebanese proxies for the incidents then attributed them to Saddam Hussein. In 1982, a Muslim fundamentalist uprising in the city of Hama was ruthlessly suppressed by the Syrian army with the number of casualties reportedly reaching several thousand.

As a country which both imports and exports oil, Syria could be only indirectly affected by an improvement in the oil market. Assuming that oil prices rise, the Arab Gulf may be in better position to increase aid to Syria. Moreover Syria's own oil production should be increasing thanks to several recent oil discoveries. The Thayyem oil field near Deir el-Zor (some 200 miles east of Damascus) is expected to reach full production levels (about 50,000 b/d) before the end of the year. Some observers believe that once such production levels are achieved, Syria could come close to oil self-sufficiency.

But as mentioned earlier, Gulf aid was reduced not only for economic but also for political reasons. To that extent, if Damascus looks forward to more aid from Arab states, it would have to reconsider its overall attitudes towards Iran. This may not be entirely easy as it could damage Syria's influence over Shiite militias in Lebanon. Damascus would not welcome such a development especially at a time when Lebanon's Christian community is more suspicious than ever of Syria's intentions.

In other words, Syria is faced with a tough dilemma: economic considerations may call for some change in policies pursued so far, both at the domestic and the regional level. But political considerations indicate that the needed change may not be possible without compromising the regime's security concerns.

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POLITICAL ALLIANCE WITH IRAN IN TROUBLE

Nicosia MEMO in English 26 Jun 86 pp 12-13

[Article by Randa Takieddine]

[Text] The Syrian political alliance with Iran is in trouble. The Islamic regime of Ayatollah Ruhollah Khomeini is giving President Hafez al-Assad of Syria a hard time in Lebanon and on the international scene. Randa Takieddine has more on the apparent deterioration in Syrian-Iranian relations.]

[Text] In Lebanon, the pro-Iranian Shiite group Hizballah has been in open conflict with Syria for a few months. First, the Syrian-sponsored Lebanese tripartite agreement that was rejected by Lebanese president Amin Gemayel was also condemned and rejected by Hizballah which controls a large section of West Beirut. Second, Hizballah is opposed to Nabih Berri, the leader of Amal, the other important Shiite group in Lebanon.

Hizballah policies have often hindered the implementation of Syria's policy options in Lebanon, undertaken by its main Lebanese ally Nabih Berri. The deterioration of relations between Syria and Hizballah resulted in an armed conflict in the Bekaa between the Syrian army and partisans of Hizballah earlier this year. The clashes were rapidly stopped but an important official of the Iranian secret service was killed in the process.

The crisis between Syria and the pro-Iranian Lebanese group is reflected on the ground by a new military alliance between Hizballah and the Palestinians who are currently fighting Amal in the Palestinian camps in Beirut.

Syrian sources in Paris told MEMO that, on top of everything, the Syrian president has been upset with Iran over the issue of French and US hostages in Lebanon. During his visit to Damascus in late April, the Iranian Minister of Foreign Affairs Ali Akbar Velayati had promised that his country would press Hizballah to release the French and US hostages and turn them over to the Syrian regime. President Assad had promised France's Francois Mitterand that he would obtain their release. The agreement was reached in Damascus between Syrian Vice-President Abdel Halim Khaddam, Iran's Velayati and members of Hizballah, but it was never implemented.

The Syrian analysis of this, says our Syrian source, is that the Iranian Islamic clergy does not always support commitments made by Iran's political envoys when they are not members of the clergy. Moreover, Ayatollah Khomeini is reported to

have said to his Foreign Affairs minister on his return from Damascus: "I shall not obstruct the desire of the Islamic groups in Lebanon to prepare for an Islamic republic in Lebanon and I shall not pressure them to release people whose governments obstruct our principles for an Islamic republic." After these comments by Ayatollah Khomeini, Hizballah decided not to surrender the French hostages to Syria.

In fact, the Iranians themselves would like to be able to use the hostage issue as a bargaining chip with the West. France's debt to Iran is $1 billion and Iran wants it to be settled. Moreover, Iran wants France to reduce its support to Iraq. The French hostages issue can be used to blackmail France. Furthermore, Iran would also like to maintain some control over the US hostages issue in case it comes in handy for its long term relations with the United States.

Since then, relations between Syria and Iran have cooled off. Syria sent its Foreign minister, Farouq al-Sharaa, to Tehran in mid-May to explain to the Iranian regime the disadvantages of remaining isolated from the rest of the world.

Al-Sharaa, pressing for the hostage issue to be resolved, is said to have emphasised the fact that Syria's alliance with Iran was not always convenient for the Syrian regime. The Syrian Foreign minister noted that the alliance was isolating Damascus from the rest of the Arab world and was costing it a lot of money.

Syria, al-Sharaa told the Iranians, had economic problems and was in dire need of foreign currency and the price of its political alliance with Iran was isolation from the rich Arab Gulf countries. These comments by al-Sharaa were hints aimed at pressing the Iranians to surrender the hostages.

Furthermore, the Syrian president's meeting with King Hussein of Jordan in Damascus in December 1985 and again in Amman on May 5th of this year was aimed at paving the way for an improvement in relations between Iraq and Syria. The first step in such a reconciliation process might be in the economic field and might include re-opening of the Iraqi-Syrian pipeline.

Syria would benefit from the re-opening of the pipeline in two ways. First, Iraqi transit royalties would provide Syria with needed foreign currency. Second, the pipeline would provide Syria with crude oil that Iran has been slow in supplying because of a Syrian debt to Iran. It is also believed that Syria might be ready to resume transit between both countries.

All this would take place, says our Syrian source, as a first step, under the guise of a pure economic reconciliation because Iraq and Syria are nowhere near a political rapprochement. Syria remains interested in maintaining its alliance with Iran, although Tehran has not always proved to be reliable.

The economic rapprochement between Iraq and Syria cannot be undertaken, another source told MEMO, unless an Arab summit is convened to discuss all these issues. However, our Syrian source disagreed and did not exclude the potential of an economic rapprochement between Iraq and Syria before the convening of an Arab summit.

Finally, according to the same Syrian source, Syrian Vice-President Abdel Halim Khaddam was told during his May 27th visit to Moscow that the Soviets would like to see a reconciliation between Syrian President Assad and PLO Chairman Yasser Arafat. The final communique issued after the conclusion of the visit in-

cluded a Syrian recognition of the need to have a reunified PLO. According to our Syrian source, Algeria's President Chadli Benjedid will undertake to convene a PLO general conference to bring pro-Syrian PLO members and Arafat together.

If such a reconciliation materialises, it would of course lessen Syria's numerous problems in Lebanon, including the strengthening of the Palestinians, the Hizballah-PLO alliance in Beirut and the new Palestinian-Gemayel rapprochement.

The latter rapprochement occurred following Lebanese President Amin Gemayel's April meeting in Tunis with the PLO's Salah Khalaf. In January, the Lebanese president had rejected the Syrian-sponsored Lebanese tripartite agreement.

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COLUMN EXAMINES ECONOMIC PROBLEMS

Poor Distribution of Goods

Damascus AL-BA'TH in Arabic 1 Jun 86 p 4

[Text] The Retain Trade Corporation supplies the domestic market with adequate quantities of all goods in which it deals and fails to see any justification whatever for the crowds regularly congested around its sales centers.

We believe Corporation management and do not reject its argument but still feel that its response is not convincing enough to explain the crowds--sometimes leading to fist fights when desperately needed items are being distributed.

When sufficient consumer supplies become available and certain people queue up for sometimes more than one turn, while the ordinary consumer waits and gets nothing, there is only one thing to be concluded, namely that the problem is one of faulty distribution not insufficient supplies.

A consumer, getting up at the crack of dawn in order to acquire a leg of lamb, knows nothing of the tremendous efforts exerted by the corporations concerned with ensuring meat daily for the consumers. All he knows is that he has to wait long hours for what he needs and that the butcher charges him twice as much for the privilege of not queueing up and waiting.

There is a gap that the authorities responsible for supplies have not been able to close; a gap through which the supplies made available slip at some point, either before or during distribution, while the consumer painfully and questionally looks on unable to do anything about it.

Perhaps there is some truth in reports that butchers, grocers and vendors of butter (ghee) and paper tissues send their women folk and children out into the queues to collect as much as they can of the supplies being distributed. That kind of infiltration is not difficult to detect but still does nothing to explain faulty distribution despite the adequacy of supplies.

Some of the solutions being suggested now include opening up additional sales outlets in corporations, companies and factories so that the staff and workers can obtain their share in their work places. Yet not even such

a reasonable step seems to be able to prevent poor distribution and the appearance of gaps here and there. Weakness is abundant and commitment is scarce. So long as supplies prepared for distribution find their way into the black market, and are sold on the sidewalks for exorbitant prices, then we are entitled to assume that there are gaps that so far have not been discovered by nor been subject to any control or accountability.

Hence, it is not enough merely to provide the supplies at corporation sales outlets. Something has to be done to find out how they are distributed, to whom they go, into whose hands they fall and where the gaps are through which they slip into the hands of those who are just waiting to take advantage of the public sector's channels that have not yet seen reform. This is not only a responsibility but a major necessity. There has to be strict commitment to the citizens who have so much difficulty getting their needs, and to the decision making authorities who have incurred so much foreign exchange expenditure to secure supplies in adequate quantities for all. Meanwhile, the crisis continues.

High Grain Prices

Damascus AL-BA'TH in Arabic 10 Jun 86 p 4

[Text] There's never been anything like it! Wheat, like everything else that is precious to us, is always expensive. But this year there is a difference and we seem to be doing something right.

Some of us will recall that the 1984 wheat season crop forced us to import about $300 million worth of wheat. This year the crop is good and if estimates by experts are sound we may not need to import much of this staple. In other words we will be able to save that $300 million at a time when we need to import pharmaceuticals, machinery, equipment, etc.

This season, these estimates and expectations are only a beautiful dream that can only be transformed into reality by persistent action which is now beginning to show results. Anyone following the news must surely realize how expensive every grain of wheat has become under present conditions.

The party and government committee which made its way to al-Raqqah, Dayr al-Zawr, Al-Hasakah and Qamishli had part of its work in al-Raqqah monitored by our press, especially in Bir Hashim, where 10,000 hectares of land was recently reclaimed. The Committee decided to award Bir Hashim plantation wheat harvesters a bonus of 400 Syrian pounds in consideration for their continuing to harvest the crop through the Id al-Fitr period.

The size of farm land plant acreage under corn in that area is 5,722 hectares. Such action as well as other steps taken such as assigning 10 al-Raqqah governorate cars to the plantation, operating the grain silos 24 hours a day and the harvesters in three shifts will save the crop. Without such measures at least half of the crop would perish. On the subject of Bir Hashim and the figures involved, we find that man is the all powerful producer. At official prices the wheat is valued at 120 million Syrian pounds. Since

we would gain half that volume through incentives, it can be said that the 400 Syrian pounds to a group of workers means 60 million Syrian pounds and about 86,000 tons of wheat.

Is there not an important lesson somewhere? Obviously the farmers would have continued working without the bonus since they could hardly be expected to bear the sight of wheat perishing. The token bonus is, however, a sign of respect for a very valuable effort.

In life there are many expensive things some of them, perhaps, cost even more than wheat. Anyone making such a lesson a general rule cannot lose. The harvesters' reward could very well be our means of rewarding all producers!

Insufficient Salaries

Damascus AL-BA'TH in Arabic 11 Jun 84 p 4

[Text] The question that must have come to the minds of thousands of low income earners on the occasion of Id Al-Fitr [small Bairam] holiday was: How can we reconcile our income with the needs of the feast, the holidays and the children? No doubt many of them spent the holiday at home, either because of congestion and lack of an appropriate place to travel to or because of prices. During the holiday daily habits change, necessities increase and everything slips out of control and any kind of regulation. It is almost as though the holiday were an opportunity to violate or reject legislation: private sector travel fares, prices of supplies and clothing, even the prices of barbers, whose guild issues a new price list on the occasion of every holiday doubling prices which are not fixed in the first place anyway. We do not know whether each guild is entitled to take such a decision favoring its members and exploiting the people. Even downtown taxi drivers demand their holiday tip. Thus instead of the Bairam holiday being an opportunity for relaxation and a happy vacation after which a person can return to work feeling invigorated and able to produce and work, it becomes an exhausting nightmare requiring a vacation to recover from the vacation.

In addition to the congestion, and the race to go shopping for supplies, what happens during the holiday is an increase in traffic accidents on intergovernorate highways, resulting in dozens of victims and casualties in addition to the material losses incurred despite all that the traffic department has done to reduce them.

As we have said the Bairam holiday should be an opportunity for rest and relaxation, not a nightmare and a burden for the individual. Life should go on as normal. This requires that we as citizens observe all laws, traffic codes as well as keep prices under control. There is no need to rush as though life were coming to a standstill during the vacation. Whatever the authorities do to provide us with all our needs during the holiday and at other times, they will never manage to prevent the rush, the congestion and fights, price speculation and fraud unless we cooperate with them to put an end to the negative aspects of our every day life.

Inefficient Planning

Damascus AL-BA'TH in Arabic 13 Jun 86 p 4

[Text] Several of our agricultural regions have managed to achieve a surplus of agricultural produce such as potatoes, onions and tomatoes. It is a pity that substantial quantities of such produce are wasted because of a lack of food processing facilities or export capacities in those production regions. If anything this indicates a lack of comprehensive and integrated planning for our agricultural production consistent with market requirements on the one hand and food industries on the other. At the same time it confirms the need to locate our food processing companies geographically to suit agricultural production in the various regions.

It is hoped that the Vegatable and Fruit Company will be able to handle this season's tomato and onion surplus in a way that will not be harmful to either producers or consumers, and that the canning companies will manage to take up the surplus and find appropriate markets at home and abroad.

We raise the same old question: where is the planning? Why is there an imbalance in the agricultural plan? Why are our industrial projects so late in meeting the needs of our agricultural production? This being at a time when it is an all too well known fact that surplus produce can create severe complications for both producers and consumers. Too much supply on the market results in lower prices which would result in harm and maybe big losses for the producers.

At the same time this could happen at the expense of other products for which there is a market need, resulting in increased demand and high prices as well as supply crises and hence, imports and futile expenditure of foreign exchange.

That is why we urge that attention be paid to the agricultural plan which should be coordinated with industrial plan. The adherence to this plan by agricultural cooperatives must be monitored. At the same time canning industries should be established in areas of agricultural production to ensure market stability and to protect farmers and consumers alike.

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NEWSPAPER TRACES ECONOMIC DEVELOPMENT, RECONSTRUCTION

Ta'izz AL-JUMHURIYAH 13, 17, 20 & 21 Jun 86

[Article: "One Year Growth of Services Development Process"]

[13 Jun 86 p 5, Part 2]

[Text] This decision was the sincerest expression of our political leadership's interest in the issue of eliminating illiteracy and a live embodiment of our people's will to eliminate illiteracy through a scientific method that goes beyond traditional formats in this domain and one of the techniques used in rendering the basic training and skills campaign a success. Training centers sprung up in several areas of the country with a view to employing the illiterate's inclination toward any of the primary skills in plumbing, lathing, carpentry, electricity, etc. which these centers are offering in an attempt to eliminate illiteracy while helping them to acquire vocational skills and, with regard to females, female-oriented skills such as embroidery, weaving and others.

Enrollment of illiterates at these centers has reached 20,110 trainees in addition to close to 140,000 enrollees in classes for combatting illiteracy in the national and organized sectors. The national sector recorded a higher rate of enrollment from both sexes than the organized one where armed forces and security personnel constitute 90 percent of the regular students.

In this connection, a number of units for combatting illiteracy have been completed in some target areas. These units bear witness to Ministry of Education accomplishments in one year and are living proof that the education path has become the best way for building a new life and guaranteeing a bright future.

Moreover, they represent conclusive evidence of the active interaction between the people and the leadership in one of the most important and most serious fields of construction and development, namely the building of generations armed with knowledge and education that will enable them to take confident steps forward on the road to prosperity in our productive land to bring back its civilizational past so that it may proudly join the contemporary civilizational process and firmly take its proper position and natural place among the nations of the earth at the turn of the 21st century.

Higher Education

Sanaa University is the highest rostrum for education in our country. It also represents a most prominent feature of civilization in revolutionary republican Yemen as one of the greatest gains achieved under the patronage of the glorious September Revolution.

Sanaa University has witnessed great progress and has taken important qualitative leaps, thanks to government efforts and unending backing and attention it receives from the secretary general of the General Popular Conference, thus allowing it, its young age notwithstanding, to take its proper place among universities in other countries, for it has taken forward steps in size and standards.

The university has grown from three interrelated colleges and a very small enrollment, upon its establishment in the seventies, to various specialized departments in the theoretic and practical fields.

Enrollment rose from tens of hundreds of students at the beginning of its life to well over 10,000 students in the 1984-85 school year.

During the last 3 years, Sanaa University has witnessed the birth of three new important colleges: the College of Medicine, the College of Engineering and the College of Agriculture. It has also begun to realize its ambition of turning out more sophistocated scientific cadres in various specializations. It has opened new departments for advanced studies which began their educational activities during the 1983-1984 school year up to the MA degree level.

Sanaa University now has the equipment. laboratories and educational aids that help students in their theoretic and practical studies.

The unviersity has also been equipped with a workshop for maintaining these capabilities as well as with other facilities such as branch libraries, in addition to the central one. It is in the process of building a library complex on campus with a view to affording all kinds of facilities for research and scientific studies. Efforts to develop Sanaa University are still under way and there are ongoing endeavors to achieve further steps aimed at achieving higher standards. Sanaa University last year witnessed numerous steps on this road, the most important of which was the opening of a College of Education campus in Ta'izz Governorate as a nucleus for other campuses throughout the country due to the great pressure placed on existing universities.

Last September, the secretary general of the General Popular Conference opened two large lecture halls at the university. Each of these halls can seat 500 students and is equipped with the most modern audio-visual aids, in addition to other facilities. The total construction amounted to 18 million riyals. Furthmore, the laying of the cornerstone of the College of Agriculture teaching farm was one of the outstanding steps achieved last year.

In April 1985, the prime minister laid the cornerstone of the farm which will be used for scientific courses and for the introduction of modern technology as compared to methods prevalent in Yemeni agriculture, in addition to applied agricultural research for the college teaching staff for the purpose of scientific research, teaching and the organization of field training programs at the farm under expert supervision.

The 26 hectare farm includes 13 reception buildings with a botanical annex, warehouses, a workshop, a fodder mill, corrals, chicken coops and a training center for animal production, in addition to groves, grazing ground and woods.

In recent months, Sanaa University has witnessed a number of educational and cultural activities devoted to educational and learning endeavors, including a training course for non-education college graduates held last March at the university to prepare trainees for the teaching profession upon graduation. This is in response to a cabinet decision requiring all college graduates to teach for one year, in addition to special seminars and cultural affairs held at the university.

In April 1986, Sanaa University sponsored a seminar for archeology departments at various Arab universities in which a large number of professors and specialists from fraternal Arab countries participated. The 5-day seminar included historical and archeological studies and lectures and debates on issues related to archeology, the role Arab archeology and research departments play in raising agricultural awareness as a way to preserve historical sites and the responsibility of Arab archeology professors to bring out the role of our Arab and Islamic nation in the civilizational process.

In addition to Sanaa University's role in higher education, the Ministry of Education sends a large number of our high school graduates to universities in various fraternal and friendly countries to specialize in various fields, including medicine, engineering, agricultural and other studies in order to join Sanaa University graduates in the building and development process.

Our political leadership under the secretary general of the General Popular Conference has given special attention to public health, focusing on the growth and development of the activities of the health sector as an effective weapon for wiping out the horrible triad, poverty, ignorance and disease, and on the premise that developmental building functions requires healthy builders equal to the task.

Through conscious realization of the health development role in the overall development process, owing to the great importance of this aspect which can have a direct negative or positive influence on development as a whole, the government has maintained its constant support for the Ministry of Health and its various institutions, thus achieving tangible progress in health and medical services that have amazed many an analyst and researcher of social development.

Health institutions have grown in number, services and diverse preventive and therapeutic capabilities that run the gamut from modernization to state-of-

the-art medical tools, equiment and technology that help raise the academic standards of all those who work in this field.

During the current year, open-heart surgery was performed in the country for the first time with a level of success equal to that achieved by countries that are ahead of us by decades.

[Major] surgical operations numbering 51 have been performed with a 97 percent success rate, in addition to close to 60,000 surgical operations of various kinds at government hospitals around the country.

Moreover, 100,000 patients have been hospitalized and over 3.25 million citizens have visited out-patient clinics. Radiation departments at government hospitals performed 350,000 x-rays during last year and laboratories recorded tangible growth that enable them to raise their performance rate qualitatively and quantitavely: last year, 1.2 million samples were tested for various diseases, including cancer malignancies. This is in addition to important services provided by central laboratories in various fields, the most salient of which is the testing of canned food, baby food products and other products to determine their chemical composition, thus preventing many side effects such products can cause, especially in children.

In this regard the government, as represented by the Ministry of Health, has sponsored primary health care services that are basically concentrated in rural areas which comprise 90 percent of the country's total population.

On this premise, the state has devoted its greatest attention to maternity and child care. Besides maternity and child care centers throughout the country, a massive immunization plan, put in effect since 1977, this year has prepared for a huge national immunization campaign to vaccinate children under 5 against the six childhood diseases: TB, measles, polio, diptheria, whooping cough and tetanus. All these diseases require booster shots on a regular basis so that we may catch up with today's world, of which we are an integral part and to achieve the well-known international slogan, health for everyone by the year 2000. Last year, the number of children vaccinated against childhood diseases was 430,661, a 2.5 percent increase over the first year of the plan for PTT and polio, 198 percent for measles and 50 percent for TB. These figures represent a giant step in view of the fact that the immunization plan, as a primary health care project, is one of the most important national projects.

[17 Jun 86 p 5, Part 4]

[Text] Investment projects for 1985 amounted to 87 million riyals, and the organization has purchased land for building offices and bus terminals along its various lines throughout the country. It has also built spare parts depots for buses used on its inland and long lines and a self-contained gas station to service its fleet. As a result of these developments and improved services, the organization transported a total of 658,000 passengers in 1985, and competent departments are in the process of studying the possibility of instituting transportation services in large cities, Sanaa particularly.

Moreover, studies are underway related to land freight services and the organization has opened a self-contained office for other tourist services. This is in addition to the existing tourist transportation system using new luxury buses that have been added recently to its tourist fleet. The General Land Transportation Organization this year will begin transporting Yemeni pilgrims to the holy lands in accordance with an agreement concluded with the Saudi government.

3. Air Transportation

Just as land transportation has enjoyed government attention as one of the most important means of eliminating internal isolation due to its active role in the building and development process, air transportation has enjoyed equal attention as a principal means for eliminating external isolation and facilitating contact with the outside world due to its direct and active relationship with the freight and passenger transportation process to and from the country.

This attention has been clearly manifested in recent years in the size of appropriations earmarked in the second 5-year plan for subsidizing tne General Civil Aviation and Meteorological Agency [GCAMA] and the Yemeni Airlines Company fleet. These appropriations amount to 710 million riyals. The above agency and airline company have realized great operational strides, particularly in the expansion and development of major airports in Sanaa, Ta'izz and al-Hudaydah or the building of secondary ones in other cities, as well as the expansion of the Yemeni Airlines network and development of its air fleet.

With regard to airport construction and development, the GCAMA undertook the following projects in 1984 and 1985:

1. The expansion of the Sanaa International Airport building and the construction of a parking lot at a total cost of 9.125 million riyals.

2. Construction of a new VIP lounge as part of the overall boom the country is experiencing and the new international status it has attained. The total cost of work completed in the last 2 years amounted to 3.117 riyals.

3. The maintenance of Sanaa International Airport during the past 2 years at a cost of 1.406 million riyals. As for the Ta'izz airport project, the following parts were completed last year:

- Construction of airport parking lot at a cost of 623,647 riyals for 1985.

- Equipment and machinery for arrival and departure lounges at a total cost of 181,208 riyals for 1985.

With regard to the development of al-Hudaydah airport, the total cost of work done in 1984 and 1985, including the airport building and project supervision plus four housing units for technical advisors, amounted to 31,034,965 riyals. Add to that the inland airports development project aimed at improving inland airports and related installations. Work is under way to complete the four

inland airports in al-Hawf, Harib, al-Buqa' and al-Bayda'. The cost of work done in 1984 and 1985 was about 4,676,190 riyals. In the meteorological and aviation development field and state-of-the-art equipment necessary to handle the growing air traffic at Sanaa International Airport in particular, the meteorological administration has achieved self-reliance in managing this important facility, dispensing with all foreign expertise that help to run it, thanks to the great attention paid to the training of technical personnel in the country and abroad to prepare them for this task which used to be handled by foreign technicians. Yemeni personnel in the field of meteorology and civil aviation make up 90 percent of the various skills. The National Civil Aviation and Meteorological Institute plays a key role in training and educating Yemeni personnel.

The Yemeni Airlines Company in the last few years has succeeded in expanding its lines network, thus growing from a regional to a successful and competitive airline company in international air transportation by spreading its wings to Europe and South Asia and flying all the way to London, Amsterdam, Frankfort, Paris, Karachi and Bombay.

On 12 November 1985, an air route was opened between Sanaa and Amman and the company has innaugurated its new weekly flights to Istanbul and Moscow, whereby the first flight on the new route linking Sanaa to each of Istanbul and Moscow took off on 12 April 1986.

These two routes constitute a new accomplishment to be added to the company's 25 other routes, thus bringing the total to 27 routes. The Yemeni Airlines network now extends from London to Bombay and from Addis Ababa to Moscow.

The innauguration of the Yemeni Airlines new routes was in response to the secretary general's guidelines on the need to link our country with the outside world to the largest extent possible.

Furthermore, Yemeni Airlines is aspiring to raise the standards of its services and to expand its network to South Asia, Europe and North America. This is in addition to our country's participation in numerous Arab and international conferences on aviation. Our country participated in the 19th session of the Arab Air Transport Federation and brother Muhammad Ahmad al-Haymi, board chairman of the Yemen Airlines, has been elected president of the federation. Moreover, it has been decided to hold the next session in Sanaa in March next year.

The Yemeni Airlines Company has an ongoing training program for its pilots, engineers and technicians in various fields of aviation.

Sea Transportation

The government has given its attention to the sea transportation sector and has built maritime gates to meet all development and growth requirements. The second 5-year plan focused on the need to organize and expand the ports and improve the services they offer.

In recent years, a number of ports have been built or expanded to keep up with the growth our country is experiencing in all fields.

With regard to al-Hudaydah Port, which is the main one in our country, in 1977 it had only 3 docks which were no more than 7.5 meters deep. However, in the last 10 years new docks have been constructed--docks numbers 4,5 and 6--to help the port keep up with the growth in trade activity and to receive various freight ships.

Moreover, a fully-equipped port has been constructed in al-Makha' and another one, al-Kuthayb Port, in al-Hudaydah.

In addition, the General Ports Organization succeeded last year in completing a number of projects, including:

1. Renovation of the container area at al-Hudaydah Port at a total cost of 1,594,450 riyals.

2. Completion of al-Kuthayb Port at a total cost of 1.1 million riyals.

3. Development of al-Hudaydah Port by enlarging the container area by 100,000 km [as given] at a cost of 2.29 million riyals, and tne construction of a parking lot at the port as well as a fuel station for organization cars.

5. [Number sequence as given] Equipping al-Makha' Port with three 20 to 25 ton capacity movable cranes at a cost of 4 million riyals. This is in addition to the construction of an escort launch, costing 4 million riyals.

Al-Makha' Port is witnessing brisk commercial traffic. The port receives 65,000 tons of goods monthly.

Last year, as well, on the occasion of the 23rd anniversary of the revolution, a storage area was inaugurated at al-Hudaydah Port at a total cost of 1.476 million riyals. Moreover, the cornerstone of the container and storage area at al-Hudaydah Port was laid. This project will cost about 1.595 million riyals, and a container area has been innaugurated at a total cost of 2.191 million riyals.

In 1986, another dock, dock 7, will be built at al-Hudaydah Port to accomodate 300 meter-long container ships. It will be equipped with a container crane and other lifting tools. The project includes widening and deepening the 20 km navigational canal to accomodate 2 ships simultaneously. This huge project is expected to cost over 200 million riyals. Work is scheduled to start by the middle of this year.

Electric Power and Water Sector

Electric power plays a major role in the building and growth movement, in addition to being a critical necessity in people's lives and a means for improving their standard of living. Therefore, the government has turned its attention to the electric power sector as an important tool for turning the wheel of economic and social development. This attention has had positive

effects, for in the last few years this sector has achieved high growth rates and most of the country's cities and villages have been supplied with electricity. Suffice it to say that in 1985 electric power reached 413 megawatts as compared to 15 megawatts in 1975, in addition to the power citizens supplied on their own with government subsidies throughout the countryside.

[20 Jun 86 p 5, Part 6]

[Text] On 3 December 1985 the second stage of the fresh water project for each of Sha'ban, Kawkaban, Hababah and Thalla was inaugurated. This stage included the laying of a main pipe network in the four cities and surrounding areas, including pump stations and sub-reservoirs. The first stage was inaugurated by the secretary general at the end of April 1985 and included the pump station, the main reservoir and 4 artesian wells. This 10 million riyal project covers the fresh water needs of 25,000 inhabitants in the four cities and neighboring villages, and was carried out by the General Administration for Rural Water Projects of the Ministry of Public Works.

On 12 December 1985 a 7 million riyal water project was inaugurated at al-Janad, Ta'ziyyah District, Ta'izz Governorate, to provide for the fresh water needs of 20,000 citizens.

On the 10th of the same month, a 2.3 million riyal water project in al-Hakamah, Rida District, was inaugurated. It included four parts and was carried out by the Rural Water Projects Administration of the Ministry of Public Works to meet the fresh water needs of 5,000 citizens.

On 2 May 1985, three 2.2 million riyal drinking water projects were inaugurated in Waday Talbin, Mahall Qahazah and Wasil Khulan. These were financed by the state and private citizens in participation with the American Aid for International Development [AID].

On 17 November 1985, a 2 million riyal water project was inaugurated at Jablah and was carried out by the Southern Heights Water Project. This project meets the fresh water needs of 5,000 of the city's inhabitants. Also, the 2.1 million riyal al-Akhtur water project at Dar al-Jabal and al-Islam, Ibb District, was inaugurated and carried out by the Southern Heights Project. This project serves 5,000 inhabitants of these areas. Another 1 million riyal water project in 'Amid, al-Masbaghah and al-Azab was innaugurated as well.

On 25 November 1985, a 2.5 million riyal water project was inaugurated at the city of al-Nadirah. It meets the fresh water needs of 5 villages in addition to the city.

Moreover, a 1.5 million riyal water project was inaugurated in Hiddah Ghulays, al-Siddah District, to provide for the needs of surrounding villages with 4,000 inhabitants.

On 29 December 1985, a 1.7 million riyal water project was inaugurated in al-Darab, Samarah region, Yarim District, and was carried out by the Southern Heights project of the Ministry of Agriculture. This project supplies fresh water for 5,000 inhabitants in 10 area villages.

On 31 November 1985, the second stage of the 1 million riyal water project in al-'Aza'iz, al-Jijriyah District, Ta'izz Governorate, was inaugurated by the Southern Heights Project for Rural Development. It supplies fresh water to over 4,000 inhabitants in 21 area villages.

On 9 November 1985, in Ta'izz Governorate, a 1.3 million riyal water project was inaugurated in al-Sharman area, Mawiyah District, by the Southern Heights Project for Rural Development. This project supplies fresh water to five subdistricts. The Southern Heights Project also completed a 1.2 million riyal water project in the 'Amaqah Shufan area to supply fresh water to 7 villages.

On 27 November 1985, a 1.2 million riyal water project was inaugurated in al-Hizah area to supply fresh water to 13 villages in the area. part of the cost was defrayed by area inhabitants.

On 22 April 1986, a 1 million riyal water project was inaugruated in the villages of Kananah and al-Qasirah, al-Mansurah District, al-Hudaydah Governorate, and another 1 million riyal one in the villages of al-Hijah, al-Kadaf and al-Hadashiyah. these two projects are being financed by al-Mansurah District local council, private citizens and the Rural Water Project.

On 19 November 1985, a 700,000 riyal water project, financed by the agricultural cooperative, was inaugurated in Ayn al-'Aqiq, al-Makhadir District, Ibb Governorate, and another 800,000 riyal one, financed by the local council for cooperative development and private citizens, was inaugurated in Suq al-Thaluth-Bayt al-Ruba'i.

On 30 December 1985, a 2.3 million riyal water project was inaugurated in Bani 'Awad, Ba'dah District, Ibb Governorate, as part of the Southern Heights Project to supply fresh water to 5,000 inhabitants.

On 18 May 1985, a state-financed water project was inaugurated in al-Dakhlah, Aryan District, Ibb Governorate, to serve 23,000 inhabitants, and another 1.4 million riyal one was inaugurated in Mawir Zur'in to serve 2,400 inhabitants.

Moreover, the cornerstone has been laid on a number of vital projects to meet fresh water needs throughout the country. On 2 May 1985, the cornerstone was laid to start construction on 56 government fresh water projects in a number of areas in Dhamar Governorate that were damaged by the earthquake at a cost of 28 million riyals, to be shared by the Federal Republic of Germany and AID, and under the supervision of the General Administration for Rural Water Projects of the Ministry of Public Works. These projects will serve about 98 villages in the districts of al-Hada', Jahran, 'Anas, Jabal al-Sharq and Maghrib 'Anas.

On 19 November 1985, the cornerstone was laid for 6 million riyal water projects in 'Izlat al-Diq and Jabal 'Aqd, al-Makhadir District, Ibb

Governorate, to be carried out by the Rural Water Projects Administration of the Ministry of Public Works in cooperation with the local council and private citizens.

Furthermore, on 2 November 1985, the cornerstone was laid for the 750,000 riyal project in al-'Arqub subdistrict, al-Mahwit Governorate, which is being carried out by the integrated rural development project and the local council.

In al-Bayda' District, the cornerstone has been laid for two 700,000 riyal water projects in Ghamis and Dar al-Hamrani to be carried out by the Ministry of Agriculture and Fish Wealth and Rural Development Projects. These two projects meet the needs of 6,000 inhabitants in the area.

On 9 May 1985, the cornerstone was laid for the integrated water project in Rida' which will be financed by the area's cooperative and inhabitants in cooperation with the Rural Development Project at a cost of 450,000 riyals.

These projects that are under way or are about to be started are a new addition to several other projects that have been completed in various cities, districts and villages throughout the country. Each year brings more accomplishments, not only in the water and electric power fields, but also in the fields of services and development, as a practical translation of the government's concern and awareness, under the leadership of Colonel 'Ali 'Abdallah Salih, President of the Republic and Secretary General of the General Popular Conference, to provide various services to all citizens, both in urban and rural areas.

5. Rebuilding of Areas Damaged by the Earthquake

On 29 March 1985, Dhamar Governorate, along with all the other governorates of the country, experienced a very happy and joyous occasion that day. The governorate celebrated the completion of the first set of new houses for the people who lost their homes in the December 1982 earthquake that hit Dhamar the hardest.

This set of 1,500 housing units is only the first part of the reconstruction project which is in full swing. Moreover, these units, that can accomodate over 1,500 displaced families, herald the completion of the next stage of the reconstruction project which will provide housing to every family that lost its home in the earthquake in model villages equipped with all sorts of facilities.

Inasmuch as the completion of this set of new housing provides proof that, through the construction process, we have actually begun to overcome the disaster's effects and manifestations in the stricken areas to help afflicted cities and villages return to normal life, it also embodies the leader's eagerness to honor the pledge he made to the people right after the disaster:

"We bear an enormous responsibility for rebuilding the stricken areas. Reconstruction of these areas is the responsibility of the people and we must meet this responsibility despite our limited resources and capabilities."

This is what the leader told the people during his inspection tour of the stricken areas right after the disaster, thus losing no time in assuming this weighty responsibility, notwithstanding his other responsibilities of taking immediate action and devoting substantial efforts and capabilities required for rescue operations.

The words of President and Secretary General 'Ali 'Abdallah Salih marked the beginning of the reconstruction process which he is sponsoring and to which he is devoting great attention, efforts and capabilities with a view to completing the reconstruction project as soon as possible.

For at a time when our people here and abroad and our national leadership, in cooperation with fraternal and friendly countries and philanthropic agencies and organizations, have succeeded in their efforts to contain the disaster through rescue operations and limit losses and damage caused by this horrible incident, the leadership began directing its efforts toward rebuilding the destruction caused by the earthquake in response to the leader's pledge to reconstruct the damaged areas and replace lost homes and services in the stricken areas.

The massive destruction wreaked by the earthquake requires great and arduous efforts in view of our country's modest material capabilities. Material losses have been estimated at $2 billion. The number of damaged houses in Dhamar Governorate alone was 42,314, 11,380 of which were totally destroyed.

[21 Jun 86, Part 7]

[Text] After assessing the devastating effects of the disaster, the president issued an order on 31 January 1983 forming the Higher Council for Reconstruction to draw up a general policy for rebuilding the damaged areas and to coordinate the efforts of agencies involved in the construction and rescue process. The decision granted the council full powers that can ensure the rebuilding of damaged areas. It also provided it with an executive office in charge of preparing technical, engineering and geological studies and plans and work programs for reconstruction, to be submitted to the Higher Council for ratification.

On May Day 1983, Secretary General Col 'Ali 'Abdallah Salih laid the cornerstone in the city of Dhamar for a reconstruction project to rebuild areas damaged by the earthquake. Likewise, the cornerstone was laid on the same occasion for the following villages:

1. East Dhamar

2. Dawran

3. Hijrat Manqazah

4. Risabah

[These are] the centers of the more severely damaged districts of 'Ans, Jahran, Dawran and al-Hada'. In the same week in which the president laid the

cornerstone for the project, preliminary work on the project got underway through the following stages:

1. Reassessment.

2. Survey of affected areas.

3. Housing unit design.

4. Layout and design operations.

5. Preparation of documents and notices to builders.

6. Award of contracts.

In designing the housing units, special care was taken to use suitable and economic areas and to build vertically and horizontally expandable 2-floor houses that meet health requirements and are reasonably tremor-resistant and to use building materials and methods suitable to the environment and readily available for future expansion.

The general layouts were based on the idea of forming housing complexes of 18 houses each that open onto grounds surrounded by service roads.

Moreover, areas have been set aside for service facilities and utilities, such as a mosque, health center, sewage and other modern conveniences.

Furthermore, each house has been allocated special grounds for expansion, storage space, animal shelters and other necessities of rural life, in keeping with social considerations.

With regard to the choice of sites, care was taken to find locations remote from mountain slides, geological faults and flood areas, close to the peoples' land and livelihood and suitable for future expansion. The choice of these sites was based on a geological study of all areas and analysis of samples obtained from different parts of the sites.

Companies working on the project began moving to the work site in September 1984.

With regard to the renovation of damaged houses, final statistics show that the number of structurally-damaged houses was 24,060.

Moreover, survey work in 10 villages revealed that 33 percent of the houses were beyond repair and will be added to the destroyed houses list of the reconstruction program, while part of the houses sustained mild damage. The renovation program includes 10,000 houses, 1,400 of which are in the city of Dhamar.

Renovation work began in February 1985. The Higher Reconstruction Council determined the cost of renovation at a maximum [amount omitted] for 2-story houses and 45,000 riyals for [each-?] 3-story houses. Anything over this amount is to be made up by the individuals.

There is also private construction which is part of the reconstruction program. This operation is concentrated in West 'Ans, al-Sharq Mountain and Northwest Dawran for several reasons, including the fact that these areas include out-of-the-way underdeveloped villages that do not allow contractors to submit bids at reasonable prices, thus prompting them to turn to private construction rather than supplying imported materials and skilled labor at the project's expense. Inhabitants supply local materials, including stone, sand and gravel, as well as unskilled labor.

As for the areas of privately-built houses, several options have been adopted based on the people' ability to pay, the size of the family and other factors.

While signing a contract, each person is given two options with regard to area and building materials.

Hence, work on the reconstruction program is underway, including the building of housing units, private construction and renovation, using available capabilities with help from fraternal and friendly countries.

Work progressed rapidly in the last period and great headway has been made toward completing all aspects of the project.

Work on the project has been the subject of interest and follow-up on the part of Col 'Ali 'Abdallah Salih whose efforts, follow-up and constant guidelines have had great influence on the implementation of this project, for he has worked from the outset to devote available resources and capabilities for the quick implementation of this project. He is still following up the progress of work through the Higher Reconstruction Council, issuing guidelines to competent authorities to remove any obstacles in the way of implementation and to make available all necessary requirements for completing the project according to plans and on schedule.

Last March 26, a presidential decree was issued to form a commission to deliver finished houses to the claimants in the damaged areas. The commission included chairmen and members of the local councils for cooperative development in Dhamar Governorate and was charged with delivering finished houses to stricken area inhabitants on behalf of the Higher Reconstruction Council.

On March 29 a big celebration was held in Dhamar Governorate to mark the occasion of delivering 1,500 finished houses as a first part of the reconstruction program.

The celebration was attended by the president and senior government officials as well as by a large number of diplomats and international agency representatives living in Sanaa and a large crowd of citizens. It was announced on this occasion that the rest of the houses included in the

reconstruction program would be delivered as they became available. It was also announced that residential buildings under construction or near completion are distributed over 1,000 locations covering 20 areas in Dhamar Governorate where work is proceeding simultaneously.

These buildings have been divided into 17 bidding units, 9 of which are being carried out by the executive office via building contractors and self-financing from higher council funds. The number of houses in these groups is 4,620 at a cost of 440 million riyals.

12502
CSO: 4404/402

NAJIBULLAH REMARKS ON CONDITIONS FOR WITHDRAWAL OF SOVIET TROOPS

LD130852 Kabul BAKHTAR in English 0439 GMT 13 Jul 86

[Text] Kabul, 12 Jul (BAKHTAR)--We firmly believe in our people's victory. The counterrevolution will not be able to continue even for one day its disgraceful life without the help of reaction and imperialism, said Comrade Najibullah, general secretary of the PDPA CC in reply to a question posed by Mushahid Husayn Said, editor-in-chief of the Pakistani newspaper MUSLIM.

"You are well aware that the April Revolution in the first days of its triumph enjoyed the extensive and selfless support of the masses, as well as encountered the hostile reaction of the reactionary and imperialist circles and forces," Comrade Najaibullah added.

"The undeclared war, headed by the U.S. imperialism, is waged with its ever broader dimensions against our country. As a result of the unbridled and growing aggressions and interferences launched by reaction and imperialism, the independence, sovereignty and territorial integrity of the country are subjected to serious threat.

"We have frequently proclaimed that whenever these aggressions and interferences in the internal affairs of our country are ceased and their nonrecurrence internationally guaranteed, the limited Soviet contingent will return back to its peaceful country."

"I can assure you," Comrade Najibullah said, "that our revolutionary power is able to exterminate at the earliest the savage and isolated counterrevolution inside the country and establish nationwide peace and security in the DRA, because--and one must pay attention to this--The April Revolution has triumphed with the inviolable will of the working masses of the people, and it expresses the vital interests of teh whole working people of our country.

"The revolutionary power is increasingly strengthened by our working people's solidarity with and their vigorous, unsparing and dedicated participation in it, its potentiality to defend the independence, national sovereignty, territorial integrity of the country and the achievements of the April Revolution is being ever enhanced," Comrade Najibullah stressed.

/9274
CSO: 4600/411

NAJIBULLAH DISCUSSES GENEVA TALKS, SOVIET WITHDRAWAL

LD130713 Kabul BAKHTAR in English 0418 GMT 13 Jul 86

[Text] Kabul, 12 Jul (OANA-BAKHTAR) [as received]--We have participated in the previous rounds of Geneva talks, pursuing a principled policy based on political determination, good will and necessary flexibility.

This was stated by Comrade Najibullah, general secretary of the PDPA CC in an interview with Mushahid Husayn Said, editor-in-chief of the Pakistani newspaper MUSLIM.

"We will maintain this constructive stand of ours in the future negotiations as well. The fact that what will be the outcome of the forthcoming talks, depends on the other side. [sentence as received] If the other side also acts in harmony with the will and interests of its people, and adopts a similar stand, then there will, certainly, be the possibilities of progress," Comrade Najibullah said.

"In view of the existing understanding between the parties of the talks, I cannot elaborate on the talks in detail, but it could be said in general, that there still exist some points that have to be worked out and finalized," Najibullah added.

"The Pakistani authorities, as is seen, have expressed their wishes for a political solution of the situation around Afghanistan, but there exists a big gap between expression of good wishes and deed," Comrade Najibullah remarked. "The political action of the Pakistani side in this regard, is considered the best criterion for our judgment. Therefore, we have to wait and judge on the sincerity of the Pakistani side in the light of its future deeds," he said.

"Concerning the time-frame of the withdrawal of the limited contingents of the Soviet Union which is a matter being exclusively belonging to the DRA and Soviet Union, we have achieved agreement with that country," Comrade Najibullah went on to say. "In setting the time-frame for the withdrawal of these contingents we have taken into consideration the supreme national interest and the objective conditions of the inside and around the DRA and we are participating in the negotiations on the basis of such a stand."

"The speculations being disseminated in this regard cannot affect our decisions in connection with this issue," Comrade Najibullah emphasized.

"Furthermore it should be mentioned that as it is clearly stated in the well-known statement of 24 August 1981 of the DRA government, the securing of complete and reliable cessation of armed and any other intervention in the domestic affairs of the DRA and the creation of conditions making impossible the recurrence of such interference in future must be the main aim and basic content of the political settlement," general secretary of the CC, PDPA remarked.

/9274
CSO: 4600/411

NAJIBULLAH ASSAILS U.S., PRC, IRANIAN SUPPORT FOR REBELS

LD130656 Kabul BAKHTAR in English 0433 GMT 13 Jul 86

[Text] Kabul, 12 Jul (BAKHTAR)—The medieval regime of Iran spares no effort to export criminal counterrevolutionary bandits for carrying out sabotage in Afghanistan, killing the working and Muslim people and cynically claims to export the so-called "Islamic Revolution" into the DRA.

Comrade Najibullah, general secretary of the PDPA CC, emphasized that in an interview with Mushahid Husayn Said, editor-in-chief of the Pakistani newspaper MUSLIM.

"All such hysteric deeds of the regime of Iran, far from being linked with the demands and will of our working people and those of the Iranian brothers, are contrary to them," Comrade Najibullah added.

Being asked about China's role regarding Afghanistan, Comrade Najibullah said: "In the undelcared war of reaction and imperialism against the DRA, there exists a black and horrible collusion between the USA, its loyal hirelings and Beijing chauvinism."

"The renegade leadership of China," he went on to say, "plays one of the main roles of this dirty war against our people and revolution. There exists military training camps in the Sinkiang Province of China where the Afghan counterrevolutionaries receive training conducted by Chinese instructors, equipped with Chinese weapons and are exported to our revolutionary country for creating horror, destructive activities and killing of innocent people."

"The mass media of China in unison with other reactionary and imperialist mass media takes an active part in the psychological war. The conditions are the same in diplomatic sphere.

Chinese renegades render all-out assistance to the counterrevolutionary bandits entrenched in Pakistan, conduct military training, arm and equip them. By sending them into our country, they practically take part in slaying innocent people, destroying public utility establishments and plundering the property of the people.

The total military aid of China to the counterrevolutionary bandits in Pakistan soil exceeds 200 million dollars," Comrade Najibullah stated.

/9274
CSO: 4600/411

NAJIBULLAH DECRIES U.S. IMPERIALISM IN INTERVIEW

LD130641 Kabul BAKHTAR in English 0427 GMT 13 Jul 86

[Text] Kabul, 12 Jul (BAKHTAR)—The U.S. imperialism as the organiser of the undeclared war is chiefly responsible for the bestial killing of thousands of Afghan children and elders, the most savage crimes and in a medieval manner, the arsoning, destruction and terrorism committed by the mercenary counter-revolutionary bands, said Comrade Najibullah, general secretary of the CC, PDPA, while touching on the hostile stand of the U.S. imperialism against the DRA, in a reply to a question posed by Mushahid Husayn Said, editor-in-chief of the Pakistani newspaper MUSLIM.

The mercenary counter-revolutionary bands have so far received more than two billion U.S. dollars for training and equipping the slayers with most up-to-date terroristic and mass destruction arms, he added.

Now, the U.S. imperialism embodied in the criminal and adventuristic Reagan administration which has changed [as received] terrorism as its official state policy, is openly and shamelessly proud of these barbaric deeds which it commits against the revolutionary people of Afghanistan, Comrade Najibullah remarked.

The main aim of U.S. imperialism in continuing the undeclared war against Afghanistan is to create obstacles to the path of realization of deep and basic socio-economic developments which constitute the main objectives of the april Revolution, Najibullah pointed out.

/9274
CSO: 4600/411

NAJIBULLAH URGES TRIBAL CHIEFS TO WORK FOR NATIONAL ACCORD

Kabul KABUL NEW TIMES in English 8 Jul 86 p 1

[Text]

KABUL, (BIA)— Comrade Najib, General Secretary of the PDPA Central Committee took part yesterday in the jirgah of elders, chieftains and representatives of various tribes from Kandahar, Helmand, Oruzgan and Zabul provinces held in the Stor Palace of the Ministry of Foreign Affairs. Comrade Najib talked to them on the prevailing situation in the country and restoration of complete peace and security throughout the country.

At the outset, Qari Mohammad Amin Kandahari recited verses from the holy Quran and prayed for the progress and prosperity of Afghanistan and tranquility of our people under the leadership of the PDPA.

Expressing pleasure over his meeting with the valiant tribal chiefs and representatives of the provinces, Comrade Najib recalled their proud history and traditions and heroes. He expressed confidence that the courageous and brave people of Kandahar, Helmand, Oruzgan and Zabul provinces will today too, like their heroic forefathers, defend along with other Afghan people the country's honour, independence and freedom sparing no sacrifice.

They will continue their just struggle against imperialism, reaction and their hirelings who have unleashed the undeclared imperialist war against our people and country.

Comrade Najib reemphasized in his talk the objective of national compromise and conciliation with those compatriots who are leading a miserable and calamitous life in foreign countries and called on the participants of the jirgah to exert all their efforts to conveying to them the humanitarian aspirations of the party and the revolutionary state and invite them to return at the earliest to their beloved homeland, work for the progress of the country, prosperity and tranquility of the people.

Comrade Najib said that the party and our revolutionary state have taken all necessary measures for bringing about a national compromise and conciliation in Afghanistan and entrusted full authority to the people's trusted representatives so that they may hold jirgahs for cessation of bloodshed and genocide and exert their patriotic efforts for maintaining countrywide peace and security.

At the end, Abdul Hakim Qaderi on behalf of tribes and nationalities of Kandahar province, Haji Mohammad on behalf of Helmand province, Mirza Abdul Hakim representing the tribes and nationalities of Zabul province and Abdul Hamid on behalf of the tribes and nationalities of Oruzgan province spoke. They expressed their firm readiness to realise the progressive objectives of the party and revolutionary state and wished ever greater successes to Comrade Najib in his great tasks.

/12828
CSO: 4600/426

WDOA ACTIVITIES EXPAND IN SAMANGAN

Kabul KABUL NEW TIMES in English 30 Jun 86 p 2

[Text]

AIBAK, (BIA)— The Women's Democratic Organisation of Afghanistan has organised the women of Samangan province enabling them to tackle their daily problems along side their brothers.

Currently, around 700 housewives, teachers, students, pupils, employees and workers of state departments and other working women including different tribes and nationalities of the province, have mobilized themselves in one city, one district and one sub-district councils as well as in 36 primary organisations of state institutions and residential areas belonging to Samangan WDOA provincial council.

Stating the above Marukh Delja, a woman who is incharge of Samangan WDOA provincial council said that presently 15 literacy courses are functioning in Aibak city and Khulm district in which 210 housewives who had been deprived of literacy, are enrolled. They are taught by some WDOA members and the teachers of literacy directorate of Samangan.

The WDOA of Samangan has also organized training and political work among the women, conducted discussions and exchanged views on their rights and freedoms, the ominous intention of counter-revolutionary elements, training of children, home management and other issues.

She added: "As a result of vast publicity work carried out among the women, 53 heroic women, including housewives and girls of Aibak, Khulm and the sub-district of Hazrat-i-Sultan, have joined the ranks of the revolution defence groups.

They actively take part in all securty activities of their area beside their brothers.

Also, some vigilant girls of the province have also been mobilized in the ranks of the soldiers of the revolution and fulfil their revolutionary tasks in defending the homeland, people and revolution.

/12828
CSO: 4600/424

JANGALAK FACTORY LEADS IN PRODUCTION, WORKERS WELFARE

Kabul KABUL NEW TIMES in English 1 Jul 86 p 2

[Text]

The Jangalak factory has produced goods worth of Afs 50.6 million during the first two months of the current year. The actual production target of the factory for this period was Afs 50.2 million.

Last year, the factory exceeded its envisaged plan by 15 per cent and achieved a production worth 275 million Afghanis.

The factory won the second place in last year's work drive launched among the industrial and construction institutions of the country and received the joint honourary banner of the PDPA CC, DYOA and the Central Council of Trade Unions of Afghanistan.

With the completion of the new foundry unit in the extended project of the factory, the work of which is underway and would be completed by the end of current Afghan year 1365, the productive capacity of the existing unit will increase by four times.

The annual production capacity of this unit is 2120 tons of steel, cast iron etc. Which can meet, according to the forecast of the plan, all the metal requirements of industrial institutions of the country.

The workers of this enterprise have made a collective commitment to fulfill the current year's plan ahead of schedule and save one million Afghanis for the state through economisation in the use of raw materials and power.

Likewise, the workers of vehicles repairing unit of the factory have resolved to save Afs 100 thousand by making use of worn out spare parts in re-activating machines.

With an end to boost the national economy and raise the level of production, the workers of the factory have carried out 14 times voluntary work on the occasion of 18th anniversary of the revolution resulting in a saving of Afs 5.6 million to the state.

The workers saved last year Afs 1.4 million for the state budget through economisation in use of raw material, power energy and making use of old spare parts.

The units of power energy, vehicle repairing and metal works have been recognised as top sections in the work drive of the factory. The workers of these units have repaired and re-conditioned through utilisation of old spare parts a transformer with a capacity of 10,000 kw and two electric motors saving Afs four million.

The Jangalak factory is one of the biggest industrial institutions of the country built with the economic and technical assistance of the Soviet Union. The factory began functioning in 1960 with an initial capital of Afs 175.9 million.

At present, 1,100 workers are working in Jangalak factory. The factory is composed of eight main productive units such as metal working, metal mechanics, foundry, vehicls repair oxygen productions, electric impleme-

nts, carpentry, moulding and painting. Mobile and stationary tankers, metal bodies for vehicles, steel balls for Ghori cement factory, wheat cleansing machines, agricultural ploughs, hangars with different capacities, metal cost furniture etc. Constiute the main product of the factory.

In order to provide workers with more facilities the factory has built a modern residential block in the vicinity of the factory. It was inauguarted in honour of the 8th anniversary of the April Revolution and put at the disposal of workers.

A will-equipped clinic is also functioning in the factory treating free of charge the workers and their families.

Technical courses were set up last year aimed at raising the skills and training of workers. So far, 100 workers have graduated from these courses and are assigned to various sections in the factory.

The Jangalak factory has taken an active part in campaign against illiteracy. Now, three literacy courses attended by 85 persons are run in the factory. The remaining workers of the factory graduated during 1984-85 from the literacy course. Most of them have been introduced to technical professional schools to continue their education. The workers of the factory have formed self-defence groups with 710 members to defend their factory. They do not permit the enemies of homeland and revolution to create even the slightest obstraction to production process.

It is planned that a wellequipped technical schools be established on the eve of 22nd anniversary of the PDPA for enhancing the professional skills of the workers.

/12828
CSO: 4600/424

CHEMICAL FERTILIZERS TO BOOST AGRICULTURAL PRODUCTION

Kabul KABUL NEW TIMES in English 9 Jul 86 pp 1-2

[Text]

Over 145,000 tons of chemical fertilisers, 15,000 tons of seeds and agricultural and veterinary drugs worth Afs 100 million were distributed during the current year to peasants in the country.

The distribution of chemical fertilisers has been gone up from 44615 tons after the victory of the April Revolution in 1978, to 155,000 tons in 1985 indicating the wide-scale activities of Chemical Fertiliser and Agricultural Services Enterprise and growing interest peasants and horticulturists in use of fertilisers.

According to a recent evaluation, the use of chemical fertilisers has helped increase yields by 34 per cent and greatly improved the quality and growth of plants, fruit trees and vegetables.

Thanks to the April Revolution, the system of distribution of goods and giving technical assistance to peasants, livestock breeders and horticulturists has been improved with the establishment of the distribution networks for agricultural products in various parts of the country. Now the peasants can receive in a short time and from nearest distribution agency their needs.

Today seven main distribution centres, 11 regional offices, 19 agencies, 72 godowns, 26 depots and 617 retail sale stores offer at country level chemical fertilisers, pesticides and agricultural light machinery to state farms, agricultural co-operatives, individual farmers, livestock breeders and horticulturists. The quantity and variety of chemical fertilisers distributed to peasants depend on the area of their farming land and the cultivation season.

Relying on the experience, urea fertiliser is used in greater quantity during the spring campaign mainly beginning in March and ammonium phosphate in the autumn campaign.

Owing to the sufficient snow and rain falls heralding a rich year, the distribution of 145,000 tons of chemical fertilisers to peasants, receipt of 110,000 tons of urea (produced by Mazar-e-Sharif chemical fertiliser and power generation plants) from the Ministry of Mines and Industries, import of 60,000 tons of urea and phosphate from the Soviet Union and transport of 242,000 tons of agricultural inputs and products to localities are planned for the current year.

Likewise, in order to meet the fertiliser needs of peasants in south, southwestern and western parts of the country, a protocol on exchange of 30,000 tons of chemical fertiliser has been concluded with the Soviet Union, which will be received through Torghundi port. Afs 111 million have been saved in 1985 on transport as a consequence of the protocol.

With the implementation of the first five years plan after the revolution, the distribution of chemical fertiliser will increase proportionate to expansion of state farms, extension of mechanised agriculture and social and veterinary services, from 130,000 tons in 1985 to 220,000 tons in 1990 involving a growth 12 per cent every year. Also the distribution of pesticides will increase from Afs 70 million to 120 million.

Moreover, the construction of sufficient number of godowns at local levels particularly in frontier provinces aimed at strengthening the economic base of peasant families, training of professional cadres through holding courses and special seminars inside the country and sending youth abroad are considered in the five year plan.

To support the co-operative movement, mobilise the peasants in agricultural co-operatives and strengthen their financial base the state in addition to granting bank credits has undertaken distribution of sulfur on loan to horticulturists and sale of surplus products of the peasants to their advantage through the Union of Peasants Co-operatives.

The Chemical Fertiliser and Agricultural Services Enterprise was founded and started functioning in 1983 with an initial capital of 350 million Afs. Its capital now amounts to 427 million Afs.

Since its very days of inception, the enterprise has carried out fruitful activities for supply, preparation, transport, stocking and proper distribution of agricultural wares including chemical fertilizers, seeds, light agricultural machinery, variety of pesticides and insecticides and done a great deal for boosting agricultural yields and animal products to the benefit of peasants, horticulturist livestock breeders, state farms and agricultural co-operatives.

/12828
CSO: 4600/426

BRIEFS

NAJIBULLAH ON PARTY LEADERSHIP--Kabul, 12 Jul (BAKHTAR)--"The resolutions of the 18th Plenum of the PDPA CC enriches the process of the strengthening and consolidation of the principle of collective leadership of the party and is of a principled importance in the completion of party and state structure. These are the genuine reasons for the decisions of the 18th Plenum of the PDPA, CC," said Comrade Najibullah, general secretary of the Central Committee of the People's Democratic Party of Afghanistan CC PDPA replying [to] a question posed by Mushahid Husayn Said, editor-in-chief of the Pakistani newspaper MUSLIM. The 18th Plenum of the PDPA CC approved the proposal of Comrade Babrak Karmal regarding his relieve from the post of the general secretary of the PDPA CC due to health reasons and taking into consideration the accumulation of the tasks of party and state leadership in the present conditions of the country. A decision was made on the division of the duties of the general secretary of the PDPA CC and the president of the Revolutionary Council of the DRA, Comrade Najibullah said. [Text] [Kabul BAKHTAR in English 0415 GMT 13 Jul 86 LD] /9274

FAMILIES REPORTEDLY RETURNING--Twenty seven families, who had been decieved by the venomous propaganda of the enemies of the revolution and deserted their houses and country, returned to their homes in Ahmad Khel and Mirzaka districts, Paktia province and commenced their peaceful life. Another ten families, residents of Samkani district, Paktia province who were far away for some times from their country, realising the truth of the glorious April Revolution and baseless claims of enemy, returned to the fold of their country. Mohammad Nawroz, one of them said to a BIA correspondent. We who had been deceived by the venomous progaganda of the enemies of the country and spent some time in hot camps in Pakistan noticed how the barbaric counter-revolution trickily uses our deceived compatriots and with the close cooperation of Pakistani militia send them by force along with armed groups into Afghanistan for committing fratricide and terror. If some people didn't obey their commands, they are put in the personal jails of the ring leaders of bands and those of Pakistan. Standing behind these groups who are sent into our country are Pak military units who protect bands with heavy arms in order to strengthen their morale. [Text] [Kabul KABUL NEW TIMES in English 9 Jul 86 p 1]/12828

REFUGEES REPORTEDLY FORCED TO FIGHT--The medieval government of Iran rounding up Afghan fugitives from different cities of Iran have been sending them to the fighting front in the war against Iraq. Reports reaching BIA say that recently the Sapah Pasdaran (guards) of Iran rounded up 74 Afghan fugitives from Shams Abad and 400 from Isfahan city and sent them to the front. If the fugitives do not obey the command they are jailed. Thus 180 Afghan fugitives were put on trial and jailed. According to another report, the government of Iran has set up a new military centre in Mashhad city for training the fugitives to fight the war with Iraq. The fugitives are being rounded up from different cities and brought to this centre for military training. The report adds that the Iranian government in order to force the fugitives to go to the front does not allow them to work in Iran. The idea is that with their scanty money and rations they can be compelled to join the fighting. [Text][Kabul KABUL NEW TIMES in English 8 Jul 86 p 1]/12828

CSO: 4600/426

CONTENT OF COUNTRY'S FIRST AGRICULTURAL CENSUS REVEALED

Dhaka THE BANGLADESH TIMES in English 27 Jun 86 pp 1, 8

[Text] The report on the country's first agricultural census on full count basis was published in Dhaka on Thursday. The 1983-84 census which provides small area statistics up to mouza level was released by Planning Minister Maj. Gen. (Rtd) M Shamsul Haq.

The previous censuses of agriculture of 1960 and 1977 were conducted on sample survey basis in rural areas only. But the just published census report covers full count of households in all areas both rural and municipal.

Speaking on the occasion the Planning Minister said that the census results would go a long way in providing small area statistics up to mouza level, a prerequisite for local level planning and development, in tune with the Government policy for decentralisation of administration, planning and decision making.

The Planning Minister hoped that the policy makers and all other users, particularly the upazila and local government institutions, would benefit from the very "rich" data base at micro level provided in the district volumes of the agricultural census report.

He said that despite human material and financial constraints Bangladesh Bureau of Statistics (BBS) had completed the census according to the schedule. He expressed his happiness over the performance of the BBS.

The Minister thanked all who had been associated with the census. He expressed his gratitude and thanks to the UNDP, FAO and NORAD for the material and technical assistance to the census.

The Secretary, Planning Division and the Secretary, Statistics Division and the Director-General of BBS were present at the press conference. Dr A K M Ghulam Rabbani, Secretary, Statistics Division and DG, BBS answered the questions of the newsmen.

Dr Rabbani informed that about Taka five crore including a NORAD grant of Taka one crore was spent on the agricultural census. Dr Rabbani said that the agricultural census was carried out in three phases beginning from April, 1983 to December 1984.

Some of the salient features of the agricultural census 1983-84 (non-municipal areas) are as follows:

Total number of households - 13,817,646.

Total number of farm households - 13,817,646.

Total number of non-farm households - 3,772,347.

70.3 per cent of the farms are small, 24.7 per cent medium and 5 per cent are large.

Total operated area - 23,019,885 acres. Of this, 22,678,464 acres are under operational control of the farms. Area operated by small medium and large farms are respectively 29 per cent, 45 per cent and 26 per cent of the farm area.

Average operated area per household - 1.67 acres.

Average operated area of the farm household - 2.26 acres.

Total homestead area - 965,986 acres.

Total cultivated area - 20,157,564 acres.

Per capita cultivated area - 0.25 acre.

Average size of the farm household - 2 acres.

Number of farms reporting irrigation - 4,426,841 (32 per cent of the farms) who irrigated about 20 per cent of their total cultivated area.

Total number of cattle and buffalo - 22,062,257.

Total number of sheep and goat - 14,225,769.

Per capita bovine animal - 0.26.

Average bovine animal per household - 1.60.

Total number of poultry birds - 73,713,161 giving an average of 5.33 per household and 0.91 per person.

Size of the agricultural labour force - 5,495,300 households (40 per cent of the total number of households).

6.7 per cent of the households reported cottage industry in their premises.

8.7 per cent of the households own no land, 9.4 per cent own up to 0.04 acre 28.2 own 0.05 to 0.49 acre. 19.6 per cent of the households have homestead area but no cultivated area. 28.2 per cent have homestead area and operate cultivated area from 0.0 [figure illegible] to 0.49 acre.

/13046
CSO: 4600/1927

WRITER QUESTIONS PRIVATE RICE SALE TO RUSSIANS

Calcutta THE STATESMAN in English 5-6 Jul 86

[5 Jul 86 pp 1, 9]

[Text]

SELLING rice to the Russians is a lucrative business. The exports are labelled "White Indian Basmati Rice". But the rice is not basmati. Not that the Russians would dream of complaining. They seem content to pay a high price for inferior grain. They have even taken steps to ensure that India's official inspection agencies are powerless to insist on quality control. The choice of the two exporters—Deeksha Holding Private Limited and Rama Associates Private Limited—is no less intriguing for neither has any previous experience of handling rice exports. But the owners of both companies, Mr Lalit Suri and Mr Subhash Goyal, are said to have friends in high places. Does this alone explain why the Russians should enable them to make a handsome profit (Rs 14.4 crores in the case of Deeksha Holding) by palming off cheap Parmal rice as expensive basmati?

MR Lalit Suri denies he is directly involved in rice exports. Asked about Deeksha Holding Private Limited, the company that has been awarded two consecutive orders to supply basmati rice to the USSR, he says he is not directly connected with it. Asked if he is indirectly connected, Mr Suri says he doesn't want to answer.

Last year the Soviet Union favoured Deeksha Holding with an order for 10,000 tons of white Indian basmati rice. And last month, the company got another order for 36,000 tons of the same rice. Deeksha Holding thus joined Rama Associates Privates Limited, the company owned by Mr Subhash Goyal, in a lucrative export trade.

Both companies are selling the rice to the Russians at the minimum export price of Rs 7,500 a ton. And both purchased stocks for export in May, 1986 to prepare the consignment. Rama Associates, which has been in the trade for the past four years, procured most of its stocks from the S.S. Rice Mill at Dohana in Haryana.

Deeksha Holding, which has had no previous experience with foodgrains, arranged for the supplies to be obtained through a Delhi-based firm, Navbharat Traders. Indeed, Deeksha's supply was repacked in the North Delhi godown of Navbharat Traders.

The price of basmati rice in the Delhi wholesale market fluctuated between Rs 8,500 and Rs 9,000 a ton in May. Now, following imports from Pakistan, the price has dropped to about Rs 8,000 a ton.

LESS THAN COST

Records available with the Kandla Port Trust show that basmati rice exported to countries other than the Soviet Union had an FOB price of between Rs 9,500 and Rs 10,000 a ton. So, how do Deeksha Holding and Rama Associates manage to sell basmati rice at less than cost?

A visit to the sprawling godown of Navbharat Traders in Bakoli village of the Alipur block in North Delhi yields part of the answer. And the rest is available on a visit to the godown of Rama Associates in Lawrence Road, also in North Delhi. Navbharat Traders is owned by Mr Parvesh Goel. Insight found his employees busy packing bags of rice. The bags were marked "White Indian Basmati Rice" and the godown overseer, also a Navbharat employee, confirmed that the consignment was bound for the USSR. He also confirmed that it was being sent on behalf of Deeksha Holding, the firm with which Mr Lalit Suri is so coy about admitting his association.

Navbharat Traders' owner, Mr Parvesh Goel, says that he has no knowledge of the rice except that his godown has been rented out to Deeksha Holding. He claims not to know who the owners of the company are. Asked if his employees are involved in the packing work, he says that they, like the godown, have been hired by Deeksha Holding. Asked if he has been paid by cheque, Mr Goel says that payment has not yet been made.

Samples of the rice collected by Insight show that it is medium quality Parmal rice which is available in the wholesale market at Rs 3,500 a ton. With the Russians paying Rs 7,500 a ton for it, apparently under the impression that they are buying Basmati, Deeksha Holding, with an order for 36,000 tons, ought to have netted a profit of Rs 14.4 crores.

A similar anomaly is evident at the Lawrence Road godown of Rama Associates. Here too Insight found rice being packed for despatch to the Soviet Union. Bags marked "Parrot Brand Export Quality Rice", made by the S.S. Rice Mill in Dohana, are opened and the contents transferred to other bags marked "White Indian Basmati Rice". Rama Associates also has an order for 36,000 tons. And,

in May, the wholesale price of Parmal rice went up from Rs 3,250 to Rs 3,500 a ton. By all accounts, the Russians are quite satisfied with the deal. Indeed, they would seem to be particularly wary of any action by the Government of India to ensure that they are supplied what they are paying for—basmati rice.

NO CHECKS

Through stipulations in the contract signed with the exporters, the Russians have recognized two private inspection agencies—TCRC in Delhi and Go-chem in Bombay—as being competent to certify the quality of rice. As a result, India's official Export Inspection Council is reduced to only countersigning whatever these agencies certify. Council officials confirm that they make no actual checks.

According to the Union Commerce Ministry, the total quantity of basmati rice availaibe for export in any given year ranges between 100,000 and 150,000 tons. On the other hand, a total of 309,750 tons were exported in 1981-82, 178,078 tons in 1982-83, 141,664 tons in 1983-84 and 229,185 tons in 1984-85.

The high stakes, perhaps, explain the mystery about the ownership of Deeksha Holding. Mr Suri has denied that he has any direct connexion with the company. Instead, he wants to know why the Press doesn't ask about his buying "The Daily", a Bombay newspaper formerly owned by Mr R. K. Karanjia of Blitz fame. The other man who ought to know who the true owner of Deeksha Holding is, Mr Parvesh Goel, says he doesn't.

However, File No. 15912 at the office of the Registrar of Companies, Delhi, which relates to Deeksha Holding, throws some light on the matter. The company was incorporated in 1983 and the promoters were Mrs Jyotsana Suri of 1-D Sagar Apartments, Tilak Marg, New Delhi, and Mrs Raj Kumari Nanda of 16 Ring Road, Lajpat Nagar, New Delhi.

The company has a paid-up share capital of Rs 100,000 divided into 1,000 shares of Rs 100 each. Mrs Jyotsana Suri, who is described in the company documents as the wife of Mr Lalit Suri, holds 700 shares. Mr Suri himself holds 200 shares. Mrs Nanda and Mrs Deergh Kaur of Malcha Marg, New Delhi are shown to hold only 10 shares each.

Although incorporated in 1983, no annual returns of the company are available on file. But more important than the documents available with the Registrar of Companies in contradicting Mr Lalit Suri's claim of "no direct involvement" is a letter from Deeksha Holding to a Government agency which is signed by him as chairman of the company.

QUESTIONS

And 1-D Sagar Apartments, Tilak Marg, New Delhi, which is Deeksha Holding's registered office, is also Mr Lalit Suri's residence. The mystery of these exports raise several questions.

Why, in the first place, were firms like Rama Associates, some years ago, and Deeksha Holding recently, chosen to supply rice to the Russians when they had virtually no previous experience in the field? And why is the USSR content to pay a high price for inferior rice, accepting Parmal as basmati?

Mr Subhash Goyal stated some years ago that he was a disciple of Swami Dhirendra Brahmachari. And Mr Suri belongs to a family which has been involved in several controversies in the past due to its reported closeness to the powers that be. The manner in which the Suris were given permission to construct a hotel in the heart of New Delhi, for instance, and their selection for a prestigious Maruti dealership have both provoked comment. Is patronage, then, the prime factor responsible for the choice of these companies? It might also be asked why the Government of India tolerates a situation where its own official inspection authorities have been totally sidelined by two private agencies nominated by a foreign power.

Why, for that matter, does Mr Suri deny his involvement with the exports? Is this denial caused by the uncomfortable awareness that since he has no previous experience of rice exports, admission of the contracts might prompt suspicions of extraneous considerations?

The Russians are predictably tightlipped about the whole business. But they have the most important question to answer. Why do they accept rice that everyone knows is not basmati and pay for it at a much higher rate than necessary? After all, what interest could the USSR have in the well-being of a Subhash Goyal or a Lalit Suri?

[6 Jul 86 pp 1, 9]

[Text]

CONCLUDING their investigation of the mystery of overpriced rice exports to the Soviet Union, Insight found that the exporting company owned by Mr Lalit Suri paid Rs 10.88 crores in just 43 days to the Shiv Trading Company of which no one seemed to have heard. In fact, Mr Suri's Deeksha Holding Private Limited spent only Rs 11.38 crores on buying 36,020 tons of parmal rice (whose market price should have been 12.6 crores) which the Russians happily accepted as white basmati costing Rs 27 crores. Insight discovered other strange ramifications such as a payment of Rs 12 lakhs to Mrs Jyotsana Suri and an extraordinary reticence on the part of at least one of Shiv Trading's owners. Other evidence of such secretiveness, as well as the apparent Russian willingness to pay out a fortune, suggests that there might be more than meets the eye in the rice trade.

ON February 3, 1986, Deeksha Holding Private Limited opened a current account with the Tolstoy Marg, New Delhi, branch of the New Bank of India. The account opening coincided with an application to the bank for the grant of credit to finance rice exports.

By May the company had been granted a packing credit limit of Rs 2.8 crores and credit against bills purchased of Rs 10 crores.

Deeksha's bank statement provides details of its financial transactions during the past two months when rice was acquired for export to Russia. The biggest payments made during May and June were to a firm called Shiv Trading Company. It received Rs 99 lakhs through Deeksha Holding's cheque no. 00902 on May 7.

On May 21 another payment of Rs 61 lakhs was made vide cheque no. 000918. On May 24 Rs 2.5 crores was paid by cheque No. 000919. On the same day a further payment of Rs 50 lakhs was made vide cheque no. 00920. On May 26 a pay order for Rs 50 lakhs was issued.

Another pay order for Rs 23 lakhs was issued in favour of Shiv Trading on May 29. On the same day a sum of Rs 50 lakhs was paid by cheque no. 000923. The next day two pay orders for Rs 25 lakhs each were issued, and on May 31 there was another pay order for Rs 80 lakhs. On June 6, payment of Rs 12,290,900 was made by pay order.

Two payments of Rs 1 crore and Rs 50 lakhs respectively were made by cheques nos. 440301 and 440302 on June 10. On June 12 two more cheques, nos. 440308 and 440309, for Rs 50 lakhs each were issued to Shiv Trading.

Finally on June 18, a payment of Rs 30 lakhs was made vide cheque no. 440313.

But few people seem to have heard of Shiv Trading Company to which payments totalling Rs 10.88 crores were made by Deeksha Holding Private Limited in 43 days.

Mr Ramkrishan Dass, President of the Delhi Grain Merchants Association, ought to know about Shiv Trading. He is a partner in a wholesale firm of Naya Bazar, Delhi, M/s Ramkrishan Dass Narinder Prakash, which is said to have supplied part of the rice consignment that is on its way to Russia.

But Mr Dass denied having anything to do with supplying exporters. He also denied having ever heard of Shiv Trading. He explained that because of the proposed shift of the grain market to the G. T Karnal Road in the outskirts of Delhi, there was a rush to have new firms registered with his association. Shiv Traders could be one of these new firms, he suggested.

A second visit to the office of Navbharat Trading, the firm whose godown was used for packing the consignment, provided many of the answers. The proprietor, Mr Parvesh Goel, was not available but his brother was.

Asked about the rice exports, he denied that Navbharat Trading had anything to do with it. About Deeksha Holding he said that Navbharat only let out its godown to the company.

What is the Shiv Trading Company? Mr Goel says it may be a firm in Bakoli village of Alipur block in North Delhi. Isn't that

where Navbharat has its godown? Yes, he says and adds that they are "sort of sister concerns".

Inquiries from employees of Navbharat Traders revealed that Shiv Trading is jointly owned by Mr Goel's firm and M/s Ramkrishan Dass Narinder Prakash. But Mr Ramkrishan Dass had already suggested that Shiv Traders might be a new firm. Yet, to Navbharat Traders it is a "sort of sister concern".

There is no such doubt in anyone's mind about Deepak Trading, another Delhi firm. This has its office on the floor above Navbharat Traders, and Mr Goel admits that it is a sister concern. On May 15, Deeksha Holding paid Rs 50 lakhs to Deepak Trading vide cheque no. 000916.

Several other payments have been made from the Deeksha Holding account on the basis of the credit limit sanctioned by New Bank of India for the export of rice

On May 15 a sum of Rs 12 lakhs was paid to Mrs Jyotsana Suri vide cheque no. 000911. As noted earlier, Mrs Suri is the wife of Mr Lalit Suri, Deeksha Holding's chairman, herself a Deeksha shareholder, and one of the persons authorized to operate the company's bank account.

Also on May 15, a payment of Rs 50 lakhs was made to Jyotsana Holdings Private Limited vide cheque no. 000914.

Details available at the Registrar of Companies, Delhi, show that Jyotsana Holdings is a company with a paid-up capital of Rs 200 which was incorporated on December 31, 1983. Two shares of Rs 100 each are held by Mrs Suri and Mrs Raj Kumari Nanda. No annual returns of the company are available for inspection.

Payments of Rs 6 lakhs each were made vide cheques nos. 000912 and 000913 to Ms. Divya Suri and Ms. Deeksha Suri on May 17.

What is the significance of these bank particulars? Deeksha Holding has paid a total of Rs 113,799,800 to Shiv Trading Company and Deepak Trading, two firms involved in the wholesale rice trade

The wholesale price of high quality parmal rice in the Delhi wholesale market in May and June was about Rs 3,500 a ton. If this was the rice that was purchased, a total of 36,000 tons would have cost Rs 12.6 crores.

However, the details from the New Bank of India show payments of Rs 11.38 crores. And the company stands to receive Rs 27 crores from the Russians for "white Indian basmati rice". Is Rs 11.38 crores all that this "basmati" rice cost? What about the balance of Rs 15.62 crores? Is this the legitimate profit of the middleman —in this case, Mr Lalit Suri—or is there some other explanation for the windfall?

/9317
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LALDENGA WELCOMED IN AIZAWL AFTER PACT SIGNING

Calcutta THE SUNDAY STATESMAN in English 6 Jul 86 pp 1, 9

[Article by Ashis Chakrabarti]

[Text]

AIZAWL, July 5.—The Mizoram peace accord does not fully satisfy either the MNF or the Centre, according to Mr Laldenga, who arrived here today from Calcutta. It was only "a beginning". Many people were asking why the Prime Minister did not sign the agreement as he had done for Punjab and Assam accords, he said while addressing a large all-party meeting organized on the Assam Rifles Ground to welcome Mr Laldenga.

He said that it was not proper for the Prime Minister to sign an agreement with a party which was still underground. The Prime Minister had to take certain precautions in view of the experience in implementing the Punjab and Assam accords.

According to Mr Laldenga, the idea of an interim coalition Government with the MNF and Congress (I) as partners, was the Centre's. The MNF proposal was to dissolve the Congress (I) Ministry in the State and install an MNF Ministry. But the Centre did not accept the proposal, forcing the MNF to accept the "only alternative" of a coalition Government.

Mr Laldenga said the Centre had suggested certain guidelines for the allocation of portfolios in the interim Government. But the proposals were not acceptable to the MNF. Mr Laldenga said that allocation of portfolios was the Chief Minister's prerogative. Regarding the surrender of arms by MNF, he said, it would be done as envisaged in the accord. There would be a general amnesty. All pending cases against MNF activists would be withdrawn and all prisoners would be released. Mr Laldenga congratulated the Chief Minister, Mr Lalthanhawla, on readily accepting the Centre's proposal.

Earlier in the morning, he arrived here to a tumultuous welcome from all sections of the people. Endless streams of people in a festive mood lined the 25-km road from the Tuirial airfield, waving white flags of peace, singing Mizo patriotic songs, beating drums and dancing as a flower-bedecked white Maruti drove the MNF leader, who is now the Chief Minister-designate, to the Circuit House. On his arrival at the Circuit House, Mr Laldenga, quiet but barely able to conceal his emotions told reporters: "I am happy to be back among my people. We have achieved the first step of what we set out to do". Asked to elaborate, he said that he always wanted a "political settlement" of the Mizo problem. He would be here for two days before returning to Delhi.

Mr Laldenga said that he would not be in Mizoram when the Prime Minister would arrive here on July 9 on a three-day visit to the State. He was accompanied by his wife and two of his colleagues who took part in the negotiations resulting in the accord. They were Brigadier General Tawnluia, "Chief of the Army Staff" of the Mizo National

Army, the guerrilla wing of the MNF, and Mr Ruanehhina, the "Finance Minister" of the underground MNF Government.

The town woke up this morning in a mood of anticipation. Buses, jeeps and cars lined the streets to carry people to the airfield to receive Mr Laldenga. He was flown in by Army helicopter from Silchar where he had arrived from Calcutta. A large number of people were disappointed as they could not reach the airfield before Mr Laldenga arrived there.

Even so, it was a remarkable spectacle as about 350 vehicles followed Mr Laldenga to the town. It was a bright sunny day. As Mr Laldenga arrived at the airfield, scores of young men in olive green fatigues and caps of the Mizo National Army surrounded the helicopter. There were hardly any policemen or other security forces, although senior civil officers were present.

Neither the State Government, now under the Congress (I), nor the party's leaders took any part in the celebrations. Mr Ghulam Nabi Azad, the Union Minister of State for Home, who was here for the past two days, however, greeted Mr Laldenga at the airfield. Mr Azad later flew to Silchar in a helicopter.

After Mr Laldenga was escorted out of the airfield, the 350 vehicles carrying the people followed him. All the way they sang songs made popular by underground MNF. They sang in praise of Mr Laldenga, "the leader of Mizoram", of Mizoram which, the song said, "will go higher and higher up" and of the MNA brothers "who died in the jungles fighting the Indian sepoys". Busloads of children and girls joined the MNF volunteers in the singing. Shirts, caps and waistbelts all flaunted Mr Laldenga's pictures or had MNF written on them.

It was a day of memories for former MNF men. Mr Biak Chhunga (29) was one of them. He was arrested in 1974 and served terms at Bhagalpur, Benares and other jails. After his release, although he did not return to the jungles, he continued to be an MNF activist. There were hundreds of others like him in the airfield who seemed to be relieved that the days of the jungle were over.

Some of the volunteers and sympathizers, however, accused the Congress (I) of betraying Mr Laldenga. The Congress (I) had promised, they said, that it would hand over power "wholly" to the MNF after the latter accepted peace and surrendered arms. The prospect of the Congress (I) remaining in a coalition Government with Mr Laldenga did not much enthuse the people. But for all practical purposes, it would be an MNF Government, they said. Although Mr Lalthanhawla, Congress (I) Chief Minister, was a "good person" he was being misguided by his Finance Minister, they alleged.

Among the other parties, the Mizo Convention has announced its plan to merge with the MNF after the latter is legalized. The president of Mizo Peace Forum, Mr Hrangthankima, travelled in a car with Mr L. B. Thanga, former Chief Secretary of Manipur, to receive Mr Laldenga at the airfield today. Even the People's Conference of the former Chief Minister, Brigadier T. Sailo, shook off its initial hesitation and joined the celebration today.

A Staff Reporter adds: The Mizo National Front leader, Mr Laldenga, said at Calcutta airport on Friday night that all political parties "which criticized the Centre-MNF accord are reactionary". Asked to give his view on Mr Jyoti Basu's comment that this accord would "encourage all secessionist movements", Mr Laldenga said "on the contrary the pact will discourage them".

Mr Laldenga became annoyed when he came to know that rest rooms at the airport and not rooms at the Airport Hotel had been booked for his overnight stay. He sharply criticized the Union Home Minister, Mr Buta Singh, for not making arrangements for his overnight stay at the Airport Hotel. At this point, Mr Laldenga suddenly began behaving rudely with reporters. One of his associates, who was sitting beside him, pushed a reporter for no reason at all.

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MAJLIS SPEAKER DISCUSSES MAJOR ISSUES AT PRESS CONFERENCE

Tehran ETTELA'AT in Persian 11 Jun 86 p 3

[Text] ISLAMIC REPUBLIC NEWS AGENCY Correspondent—Mr Hashemi Rafsanjani, Speaker of the Majlis and the Imam's representative on the Supreme Defense Council, gave a press conference yesterday afternoon (Tuesday) at which he answered questions from correspondents concerning various issues and the country's domestic and foreign policies.

One correspondent asked Mr Hashemi Rafsanjani: Although we know that the war has been imposed on the Islamic Republic of Iran, and in view of the fact that all resources have been assembled for a final assault to end the war, won't this incite a movement of the Arab countries against Iran? He answered: We do not know to what extent the Arab countries who have been involved so far are capable of joining the conflict. It is possible that this will incite them and make some of them unhappy, but there is not much that they can do. As far as we know, the Arab countries which have been in agreement with Iraq and have acted on Iraq's behalf have regretted whatever they have done. Since it will not benefit them, we consider it unlikely that they will do more than they have done. Indeed, if they are disappointed by Iraq's resistance, they may lean more toward us and accept reality. On the one hand they may suspect that we will intervene in Iraq's domestic affairs after the fall of the Ba'thist party in Iraq, without leaving Iraq's affairs to its people. Iraq will remain independent as an Arab country. We will assist with Iraq's independence. Naturally the Arab countries will be satisfied with us. They may not believe this now, but later they will see how we operate in practice. They may cooperate with us, and we are not worried about this.

Recent Conflicts in Lebanon

Mr Hashemi Rafsanjani was asked a question by a correspondent about the Iranian government's support of the Palestinian fighters and the Islamic movements, especially the Shi'ites of Lebanon, and about the recent conflicts. He said: We are unhappy about these clashes between the Palestinians and the Amal and we are against them. We sent a group to resolve this conflict, but we do not have the complete attention of both sides. The Palestinians, especially the majority PLO wing, does not have good relations with us because of its collaboration with Egypt and Jordan and its friendship with Baghdad. They therefore do not listen to us, and we do not have the full attention of the Amal group. If you are speaking of the Hezbollahis in Lebanon, they listen to us. They are not involved in this matter and are opposed to these internal wars. If we say something to them they accept it, but the Amal group is not so receptive. Sometimes they accept our ideas, sometimes not. We have intervened once or twice and stopped the fighting. We

will also intervene this time to stop the fighting, God willing. There are antagonisms there however, perhaps created by spies or foreign agents, that unfortunately keep these disturbances going all the time.

Improving Relations with West

The Majlis speaker discussed improving the Islamic Republic of Iran's relations with the West, especially France and the United States. He said: It was never our decision to cut relations with the West. For many reasons, we would prefer to have these relations. What we do not want, however, is Western domination. Under the former regime the West was dominant in Iran; America interfered in our domestic affairs, and at that time our independence was compromised. We want to have good and friendly relations. We are trying to establish better relations. Of course Westerners are not usually content with mutually equal relations. They want to bully us and impose their political ideas on us. If their hands were free, they would make greater use of economic relations, especially the Americans.

Concerning France, I must say that our relations with France were very dark. They were practically collaborating with Iraq in the war. There still has not been much progress. France has been a center for the counterrevolution and terrorists assembled and operated there in the name of political asylum. This is a violation of France's own relations, and there has been improvement recently. It is still early in the process, however, and we have not made much progress. Concerning America I must also say that in the past America did very bad things in our country. Before the revolution it was responsible for many of the former regime's crimes, and after the revolution, instead of apologizing and making amends, after sensing that imperialism was no longer influential in Iran, you saw that they took the shah and gave him asylum in America. They were planning to intensify his efforts, we reacted strongly, and they came forward and cut their relations with us. They impounded our assets there and plotted extensively against us. We believe that America also has a hand in the war and that countries such as Egypt, Saudi Arabia and Kuwait, which are virtually American agents in the area, are helping Baghdad in this war. We have said again that if America will stop its mischief and carry on proper relations as a wise country in the world (and this must be proven, because we are now suspicious of America, but if it is proven that America is really no longer interested in mischief) we can then have relations with America. With the mischief it is causing, it seems unlikely that such a day will come soon.

Ending the War

Another correspondent asked the Imam's representative on the Supreme Defense Council about ending Iraq's imposed war against our country through negotiations. He answered: We have made negotiations contingent upon the acknowledgement that Iraq was the aggressor and is responsible for the war. Negotiations must be based on the question of what punishment is to be given to the aggressor. We will not accept negotiations on anything but the aggressor's punishment, and the condition for all of this is the acknowledgement that Iraq was the aggressor and started the war.

At the conclusion of the press conference, a correspondent said to Mr Hashemi: In his talk yesterday (the day before yesterday) the Imam of the Nation called for unity among all the people with responsibility in the country and stressed that any kind of conflict must be set aside so that the government can serve the people. This emphasis makes us think that there may be a power struggle going on among you people. He said: Of course here, as everywhere else, there are differences of opinion on the country's issues, especially now when there are two relatively

powerful wings in our country. They have differences of opinion on administrative procedure and the roles of the government and the private sector in affairs. The controversy over these two schools of thought is going on both in the government and in the Majlis, among the clergy and the seminary students, as well as in the universities and in society at large. These ideas are always at odds in the formation of the government, the appointment of ministers, and in the matter of responsibilities. They may actually be two parties without names. If these two schools of thought existed in the West, they would become two political parties. These two schools of thought even exist within the Islamic republican party, where there are two factions. Therefore the Imam has advised in this regard that these two schools of thought not be so critical as to weaken one another. He has advised that conflicts should not reach the point of weakening the nation's unity. Of course this anxiety is in a country with a democracy. In Majlis elections and referenda, any minority which obtains a majority vote can hold office and satisfy and apply its own thinking.

Syrian-Iraqi Relations

According to this report, an Italian correspondent asked Mr Hashemi Rafsanjani: Why do Syria and Iraq have political relations in many areas, despite denials that there are Syrian-Iraqi relations by the Minister of the Revolutionary Guards? He answered: Efforts are now being made by America and its agents in the area, that is Jordan, to improve relations between Syria and Iraq. Naturally relations between Syria and America will also change, because in that case America will be content with Syria, since any process today that goes against us in any way is approved by America. This is a step in America's direction.

He added: It is a very remote possibility, however. The differences between Syria and Baghdad are very serious and we think it unlikely that they will be able to solve their problems. Moreover, the policies of Mr Hafez Asad and Syria are revolutionary policies of independence. It is very difficult now to bring Iraq and Syria together. One side is revolutionary, the other side is entirely dependent. One is a serious supporter of Palestine, the other is aligned with Camp David, and it is unlikely that they will be able to collaborate.

9310
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GROUND FORCES COMMANDER DISCUSSES 'FINAL FATE' OF WAR

Tehran ETTELA'AT in Persian 14 Jun 86 p 14

[Text] Tehran—ISLAMIC REPUBLIC NEWS AGENCY—Ground forces commander Colonel Sayad Shirazi emphasized to a gathering at the Tehran Mehdieh that it is necessary to prepare all combative and popular forces for future war plans. He said: Under present circumstances we cannot content ourselves with limited military operations. We must, with the help of God, determine the final fate of the war in the shortest time possible through extensive operations.

The ground forces commander, who spoke prior to the komayl prayer at the Tehran Mehdieh, called the present war situation very sensitive. He added: Under these conditions, when the enemy has been hit by us and when we can very easily overcome their collapsing forces, we must prepare to continue the battle as quickly as possible, so that God willing we will be able to deliver the final blow with the help of divine victories.

He added: Time is now very important for us, and all this emphasis on the maximum possible presence of popular forces at the fronts is so that we will not lose the appropriate time for operations.

Addressing himself to the people of Tehran, he said: What is taking us to victory today is not modern weapons, although we have enough of the appropriate weapons at our disposal. However it is the presence of you, the martyr-nurturing nation, at the fronts that can determine the fate of the war. In implementing the orders of the Imam of the Nation, do not show the slightest weakness and help us. We commanders of the armed forces have resolved to be a "single hand" in order to deliver the Islamic homeland from the evil of the enemy's aggression.

Acting as God's representatives, we have made a pact that through the grace of the blood of our martyrs these "Bound for Karbala" caravans which are being sent to the fields of battle every day will give prayers of thanks in Karbala.

The ground forces commander mentioned the onset of the imposed war as the last assault by enemies to defeat the Islamic revolution. He added: At the beginning of the enemy's aggression we had no formal defensive power, while the aggressors came into our country fully organized and equipped. However, the battle fronts became a place for the saplings of the revolution to blossom. The forces of the Islamic revolutionary guards and the komitehs established their basic forms, and while we had no expectation of it at all, the municipal sheriff's departments and gendarmerie forces, whose only duties were law enforcement, entered the battle.

Here, where we have seen the merging of committed and specialist forces among the armed forces, we have seen the evolutionary growth of specialist forces to commitment and committed forces to specialization. We would have needed years of planning to gain this knowledge and growth under non-wartime conditions, but the war solved all of these problems for us. We were able to tangibly experience practical relations between the army and the people, which previously we had seen only in demonstrations and special ceremonies.

Colonel Sayad Shirazi discussed the conditions at the beginning of the imposed war. He said: When pollution and contamination still remained in our government, some people, abusing the kindness of our nation, wanted to establish a base for the superpowers in our country. With the help of God, however, the nation awakened, and our ever-alert Imam gave the last word and purged the government. You immediately saw how God manifested his victory to us and the siege of Abadan was broken. Following this victory the army, the revolutionary guard, and all the Islamic combatants recognized themselves and strengthened their iron ranks. From then on the classic criteria for war were unable to prevent the continued struggle of the combatants of Islam. Following that was the battle of Tariq ol-Qods and the destruction of the enemy's forces at Tang-e Jazabeh. Then came the battle of Fath ol-Mobin, which showed the evolved unity of the forces of Islam and the enemy's wretchedness, and all of those enemy combat resources fell into our hands.

When we went into operation at Bayt ol-Moqaddas using the enemy's tanks captured at Fath ol-Mobin, the enemy painted the barrels on its tanks, fearing its personnel would mistake our captured tanks for their own, but when the combatants of Islam made their astonishing advance along the Ahvaz-Khorramshahr road and shattered the enemy lines, these same painted enemy tanks were put to use by our forces and turned on them.

With this defeat the Ba'thist government of Iraq was badly shaken, so that the enemy announced: Our mission is completed; our forces will withdraw to the borders. The enemy knew what would come of continued occupation of our soil. After that our combatants knew that it would be their duty not to relent for a moment until the fall of 'Aflaqist Saddam.

The ground forces commander then described the continued course of the war. He added: We have had many ups and downs in this period, and sometimes we have come to stagnation and standstill. One of the pitfalls at the fronts is our considering the enemy weak and failing to do the necessary preliminary preparations. We could not forget our duty, however. The enemy had established heavy positions at all the fronts and had announced in all the world media that the war was at a standstill. World experts affirmed this analysis. This was the conclusion that the enemy had reached, and based on that he wanted to impose peace on us. The basic difference, however, between the policy of the Islamic republic and the satanic policies in the world is that we say what is true and act on it. Referring to Operation Va ol-Fajr 8, the commander of the ground forces said: The victory at Faw showed that our nation is determined to continue the fight, and secondly that the deadlock the enemy had created was broken. With this disastrous defeat, the enemy would have to recalculate, and Saddam's supporters would have to reconsider their policies.

After this victory we saw the enemy trying a new plot. They thought we had forgotten 1,400 kilometers of front. They therefore attacked our forces at various areas where our lines seemed to be weak, such as Va ol-Fajr 4, Darbandikhan, 'Ayn-e Khosh, Fakeh, and Haj 'Omran. The enemy tried to imitate our limited operation prior to Operation Va ol-Fajr 8, whose purpose had been to destroy forces, and to find a new tactic. They even called it the 'new strategy'. In doing this, the enemy was trying to discredit the Islamic republic and raise the morale of its personnel. On the other hand, they wanted to weaken the concentration of our forces at sensitive points in order to retake Faw, their primary objective, as a result. The enemy won the first two or three

battles. This was the basis for another evil plot, in which they said here and there that the places that the revolutionary guard had liberated had been lost by the army. At the same time it was clear that in some places we had fewer revolutionary guards and fewer army personnel in others. It was so difficult for us to leave the fronts and go behind the lines to explain these matters. This plot had to be stopped or we would suffer from it. Praise God, our people search for the truth, and they know that the armed organizations are from the Islamic revolutionary armies, and each of these organizations has its place.

Praise God, the enemy's new plot was thwarted with the formation of forces and by our reaction.

Heavy blows were dealt to the enemy at Mehran, and he suffered heavy casualties at Haj 'Omran, Fakeh, Zabidan, and Sharhani. There are only a few heights that are temporarily in enemy hands, and we will not be diverted from our basic direction. The enemy was thus stopped and this plot completely ended. The enemy has not discharged his soldiers for seven years. He is not like us, with a great divine reserve to utilize, and he cannot be strengthened constantly by the nation as we are. We must be vigilant, however, and we know that if we are not careful this plot could spread.

Colonel Sayad Shirazi then discussed the international effects of Operation Va ol-Fajr 8. He said: Following the triumph of our combatants at Va ol-Fajr 8, the effects of making the foreign policies of some countries regional ones became clear.

The French government is gradually beginning to put its promises into practice. The hypocrites, having been driven out of France, are today with their master 'Aflaqist Saddam in order, as they suppose, to carry out new plots. We hope, however, that they will be uprooted on the battlefield based on these same plots.

In conclusion, the ground forces commander described the morale of the combatants of Islam, making mention of the Imam of the Nation's comments on the day of the Feast of the Sacrifice. He said: His Holiness the Imam compared his own personal reputation, which he has committed to a lifetime of struggle with idolaters and self-serving people, to the movement in several days by the combatants of Islam. In this comparison he put us combatants to shame. This is a strong reminder for us. When the Imam evaluates the personality of the combatants in this way, we appreciate the magnitude of our duty, and we must all realize that we have been given an ultimatum.

Therefore, the precious duty the Imam has stated is a heavy burden for all of us. God willing, with the extensive presence of you of the martyr-nurturing nation at the fronts, and through the strengthening of the unity and brotherhood of all forces, we will soon see a divine victory and the final conquest.

9310
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ARTICLE EXAMINES STATUS OF OPPOSITION GROUPS OPERATING ABROAD

Islamabad THE MUSLIM in English 11 Jul 86 p 5

[Article by Hazhir Teimourian]

[Text] The expulsion from France of Massud Rajavi, leader of Iran's left-wing People's Mojahedin guerillas, is probably a lethal blow to the movement and further strengthens the government in Tehran.

Rajavi first attracted attention to post-revolutionary Iran's opposition movement five years ago when he and the newly-dismissed President, Abol-Hassan Bani-Sadr commandeered an airforce cargo plane and flew it to Paris. They received refuge there on condition that they did not engage in political activity in France.

Before this break with Ayatollah Khomeini, the Mojahedin had played an important part in bringing him to power. In the crucial days of February 1979, they spearheaded crowds of youths in Tehran and the provinces to disarm police stations and attack army barracks.

They set up headquarters in government buildings and instructed countless young people in a romantic mixture of Islamic and left-wing ideologies.

In the short lifetme of the Islamic Republic's Provisional Government under the moderate Mehdi Bazargan, they agitated for more radical measures and harsher sentences for officials and officers of the Shah's regime.

But as the Ayatollah veered towards the advice of the more traditional clergy and away from the young radicals, the Mojahedin and other guerilla organisations such as the Marxist Fedayin began to show signs of rebellion.

They refused to hand over the arms seized during the revolution.

In the crackdown, the government executed at least 12,000 radicals, forcing many more to seek refuge abroad.

The Mojahedin assassinated hundreds of the new regime's officials. Though they never claimed responsibility, the Mojahedin are believed to have carried out bombings in Tehran in 1981 that killed Ayatollah Mohammad

Beheshti, the regime's Number Two after Khomeini, President Mohammad-Ali Rajai, Prime Minister Javad Bahonar, and 70 MPs and top-ranking figures.

Rajavi and thousands of young followers set up headquarters in the Parisian suburb of Auvers-sur-Oise. They were joined in a National Council of Resistance by Bani-Sadr and Dr Abdorrahman Qassemlou, leader of Iran's Kurdish insurgency.

Friction

The pressures of exile combined with the inexperience of youth to create friction between the Mojahedin and their left-leaning allies. In 1983, Bani-Sadr, whose daughter had married Rajavi, left the Council in protest against the Mojahedin's growing links with Iraq. He was followed by Dr Qassemlou, who accused Rajavi of authoritarian tendencies.

Further bad publicity and some internal dissent came when Rajavi married for the third time, to the newly-divorced wife of a colleague so that, it was said, she could become joint leader with him of the organisation.

The Mojahedin termed the marriage an ideological revolution that represented a major advance for Iranian women, but stressed that leaders of different sexes within an Islamic organisation could not work together unless married to each other.

Methods were beginning to irritate the French. The new right-wing government under Jaques Chirac decided to curb their activities so severely that they would have no alternative but to leave the country.

The French deny that they have expelled the Mojahedin, but represent the event to the Iranian Government as a major concession in order to gain its cooperation in the release of nine French citizens held hostage in Lebanon by pro-Iranian Shi'ite groups.

They now say they are trying to set up bases in the regions of Iraq bordering Iran, so that they can harrss Iran's forces. Probably they will never again be looked on as a credible part of the opposition to Ayatollah Khomeini.

Other Iranian organisations seeking the downfall of the Islamic Republic have dwindled. Only two can claim any popular support in Iran today--Dr Qassemlou's Democratic Party of Iranian Kurdistan (KDPI) and Dr Bakhtiar's National Movement of the Iranian Resistance (NAMIR).

The KDPI is the only resistance group with a sizeable armed presence on Iranian soil. Dr Qassemlou, a former lecturer of economic planning at the University of Sorbonne in Paris, claims that he retains 10,000 full-time armed guerillas in the mountains of Kurdistan, in western Iran along the borders with Turkey and Iraq.

He concedes that he no longer controls the cities of Iranian Kurdistan and that his movement is regional, with no ambitions of marching on Tehran on its own.

Dr Bakhtiar, deputy leader of the National Front social-democratic opposition to the Shah before he was asked by the monarch to form a government 37 days before the revolution makes no claims to have organised armed units in Iran.

Claims

His claims to leadership stem from his former position as prime minister and he has hoped to benefit from his strong popularity among the officer corps of the regular army and air force. But several coup attempts by his military supporters have failed. Demonstrations in Tehran in his support have been suppressed.

A further opponent of the Ayatollah is the young Prince Reza Pahlavi, the former Crown Prince of Iran who now lives in the U.S. His followers seem divided. He says he would support a constitutional monarchy, with the prime minister, presumably Dr Bakhtiar, exercising power.

Despite the intense weariness with the regime of Ayatollah Khomeini that has come over many Iranians in recent years, the government is well entrenched. It retains the support of enough Islamic zealots, mainly from the rural areas, to keep it in power and continue its war with Iraq.

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PLANS FOR SELF-SUFFICIENCY, 'INTERNAL PRODUCTION'

London MEED/THE MIDDLE EAST'S BUSINESS WEEKLY in English 19 Jul 96 pp 4-5

[Article by Vahe Petrossian]

[Text]

THE government has announced an ambitious plan to transform the economy, in an effort to cope with falling oil revenues, and economic disruption. The plan calls for severe cutbacks and structural changes in imports, and for new investment to create the basis for self-sufficiency.

Trying to turn adversity to advantage, the government is heralding the crisis as an "opportunity to achieve a self-sufficient economy." What is needed, Prime Minister Hossain Moussavi said after a prolonged cabinet review of the economy, is to make the country "dependent on its internal forces, domestic cultivation and internal production."

The economic review was forced by a drop in projected oil revenues for 1986/87 to about $10,000 million — and perhaps lower — from $18,500 million. Tight new restrictions on the issue of letters of credit (LCs) have produced shortages of essential raw materials for local industries, rising levels of unemployment and a 15 per cent drop in the value of the rial, to roughly $1 = IR 800.

Residents of Tehran and other cities report shortages of goods such as tea, meat and medicines. It is not clear to what extent the shortages are real, and how far hoarders are trying to take advantage of the situation. Hundreds of hoarders and profiteers have been arrested in recent weeks, and the government has issued repeated reassurances to the public that there are adequate stocks of food and other essential items.

In a special address to the nation in late June, Moussavi spoke of public anxiety being aroused by "incorrect information about the economic situation." He accused some right-wing politicians and newspapers of painting a "false and untrue" picture of the economy by exaggerating unemployment figures and underestimating government revenues.

The implication was that the government was incompetent, and that private enterprise should be allowed to control the economy. The government's critics had even gone so far as to leak a distorted version of a secret Plan & Budget Ministry document — not something the authorities expected from their "sincere" critics in wartime.

Blessing in disguise

There is no doubt that reduced oil revenues have created serious financial problems for the government. The question is how it intends to tackle the crisis, in a year in which senior religious, political and military leaders have emphasised that the Gulf war must be brought to a successful conclusion.

The government's revised plans for the year are being presented as part of a five-point guideline intended to prove that the drop in oil income is a blessing in disguise. Not only will reduced revenues fail to undermine the economy, Moussavi says, but they will also "introduce new orientations" that will strengthen it.

The war effort occupies first place in the official guidelines. The general mobilisation ordered earlier in 1986 by Imam Khomeini is to continue. Civil servants will still be required to do stints behind the front lines — but not, as Ayatollah Hossain Ali Montazeri warned recently, if their absence is going to disrupt the bureaucracy.

A Supreme Council of War Support has been set up to co-ordinate mobilisation and training. Officials say the response from volunteers has been so great that plans to call up those under the age of 18 this year have been scrapped. In late June, Moussavi issued a circular to government departments, nationalised banks and industries, and other affiliated organisations asking them to place their staff and resources at the disposal of the Islamic Revolutionary Guard Corps (IRGC) on request from the IRGC commander.

The other elements of the new principles guiding economic policy emphasise support for agriculture, irrigation and natural resources, the continuation of large-scale industrial projects, import cutbacks — especially of luxury goods — the supply of essentials, and the maintenance of subsidies and price controls. In March, all government departments were asked to effect economies in their development and commercial budgets designed to save a projected IR 620,000 million.

Ambitious plans

Plans for agriculture appear to be the most ambitious: Moussavi talks of a huge undertaking to create self-sufficiency in farm produce within five years. The majlis is being informed of the plan, drawn up with the help of the agriculture and construction crusade ministries, and an inaugural ceremony will be held in the month of Shahrivar, starting 21 August.

No details of the plan are available. Earlier in July, the Commerce Ministry predicted production increases this year of 20 per cent for wheat, 10 per cent for sugar and tea, and 8 per cent for rice. Annual wheat imports have fallen to 2.5 million tons, from 3.5 million tons, in the past three years, the ministry says — and exports may start in the early 1990s.

Much of the new investment in agriculture — interest-free government credits to farmers have been set at IR 170,000 million for 1986/87 — will go to Azarbaijan and Khuzestan provinces. There are also plans, drawn up with the help of Japanese consultants, to improve rice cultivation techniques along the Caspian Sea coast.

The government's stated next priority is to ensure the supply and distribution of essential commodities, at the same time keeping inflation under control. Both imported and locally produced goods considered essential will be provided through the coupon rationing system in force since the start of the Gulf war in September 1980.

The government and majlis agree that important new industrial schemes should go ahead "at any cost and under whatever circumstances." These include steel, natural gas and copper projects, some power stations and war-related industries (see box). Priority will be given according to the extent of their contribution to industrial self-sufficiency, Moussavi says.

Import boycott

The final policy guideline announced by the government calls for a shift in consumption patterns away from luxury products, greater use of locally produced goods and further encouragement of export-oriented industries.

Moussavi revealed that a headquarters has been set up to decide which products — including clothes, food and medicines — should continue to be imported, and how to improve local substitutes. Imports will be reduced to the bare minimum and new investment channelled into the appropriate local industries. Montazeri has appealed to people to boycott imported goods.

Underlying the new guidelines is an ambition to reduce dependence on oil income by increasing non-oil exports. In 1985, non-oil sales started picking up — officially reaching the $500 million level in 1985/86. This year, they look like exceeding that level by a comfortable margin; the Commerce Ministry says exports in the month ending 20 May totalled $67 million, up by 73.5 per cent from the corresponding month of 1985. Officials are optimistically talking of non-oil export earnings approaching $1,500 million in 1987/88.

Self-sufficiency, reduced dependence on oil exports and the need to change public consumption habits have been constant themes since the 1979 revolution. However, accomplishments have been far from spectacular. Part of the reason lies in the diversion of resources into the war effort. But a more fundamental failing — some critics say — is the government's own lack of commitment and vision.

Industry: the priority schemes

Steel

☐ construction of the $4,700 million Mobarakeh mill by local companies, Italy's Italimpianti and Japan's Kobe Steel. The mill, being built near Isfahan, is for completion in 1989. Most of the work done to date has been on infrastructure and on building nearly 6,000 residential units for workers

☐ expansion of the Soviet-built Isfahan mill

☐ completion of the 400,000-ton-a-year third unit at the Ahwaz complex. Equipment has been supplied by West Germany's Korf Engineering. Downstream operations are also being expanded

Gas and oil

☐ development of gas fields in the south and southeast. This includes a $1,000 million gas-gathering complex at Nar-Kangan

☐ probable completion of an oil export pipeline from the main Gurreh pumping station to Kangan or beyond. International tenders were recently cancelled, but the Construction Crusade Ministry is thought to be working on the scheme with local firms

Power

☐ completion of the 2,000-MW Shahid Rajai station, near Qazvin. Equipment is coming from Japan's Ishikawajima-Harima Heavy Industries (IHI). Infrastructure work is now being completed

☐ completion of the 774-MW Tabriz plant by France's Alsthom-Atlantique

☐ construction of two 1,000-MW plants in Fars and Hamadan. Some contracts were recently awarded to West Germany's Brown, Boveri & Compagnie and Japan's Mitsubishi Heavy Industries (MHI)

☐ completion of Italian and Soviet-built plants in Bandar Abbas and Isfahan

Copper

☐ expansion of downstream operations at the $1,400 million Sarcheshmeh copper complex. This includes one big plant, for completion in 1988.

Financial pressures in the 12 months after the start of the war prompted moves towards self-sufficiency. But when oil revenues started rising in 1982, officials appeared happy to take the easy way out by increasing imports to record levels — more than $20,000 million in 1983. The opportunity to use war pressures to mobilise people and resources for a radical restructuring of the economy was missed. There is now a suspicion that, if oil revenues suddenly pick up, the government will quickly forget most of its good intentions.

Poor prospects

This year's attempts to reshape the economy come at a time when early prospects for improved oil revenues are poorer than they were in 1981. Officials seem to have accepted that — barring developments in the Gulf war — there will be no significant change in the oil market for some time. In addition, Imam Khomeini has put his prestige behind a drive to use the recent military victories to mobilise the population — not only for military purposes but also as part of a hoped-for social and political regeneration. For example, the requirement for civil servants to go to the front is intended to "spread the culture of struggle from the fronts to government offices."

Having waited so long to carry out fundamental reforms, the government and the religious authorities who have been called on to lend their assistance face an uphill struggle. One thing is certain — this is going to be a tough year for Iran.

/9317
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DEVELOPMENT PROJECTS NEGOTIATED WITH OTHER COUNTRIES

London MEED/THE MIDDLE EAST'S BUSINESS WEEKLY in English 19 Jul 86 pp 11, 14

[Text]

The government has rejected a French proposal to repay a $1,000 million loan in the form of French-made goods. Reports that French weapons supplies were included in recent discussions between the two countries have been denied by the Iranian side.

Iran wants repayment of the loan, made by the late Shah's regime in the mid-1970s, in cash, according to the chief Iranian negotiator, deputy economy and finance minister Mehdi Navab. It could not agree to France's offer of goods in settlement.

France froze the $1,000 million — in the form of a deposit with Banque de France (central bank) — in late 1979, following Iran's announcement that it intended to withdraw from the European uranium enrichment scheme, ***Eurodif.*** Negotiations, halted after a deterioration in diplomatic relations in late 1983, were resumed in early 1986 amid hopes of a quick settlement (MEED 28:6:86).

Nabavi said in mid-July he was pessimistic that the dispute would be resolved in the near future.

● A protocol has been signed with Turkey to study the feasibility of building a $4,000 million oil pipeline between the two countries. The agreement will be finalised when Turkey's Minister of State Mustafa Tinaz Titiz visits Tehran from 20 July.

● Argentina's ***Cooperativa de la Industria Forestal*** is to supply 500,000 railway sleepers valued at about $11 million. More orders are expected, says co-operative president Alberto Atilio Julian.

● The US-Iran claims tribunal at The Hague has approved more than $546 million in payments to the US and Iran from an escrow fund set up by Iran as part of the January 1981 hostage agreement. Iranian entities received nearly $21 million, the balance has gone to American firms and individuals. Most of the awards – totalling $386 million – were made following settlements reached in negotiations outside the tribunal.

● Crude oil production averaged 2.2 million barrels a day (b/d) in June, according to an estimate from the New York Petroleum Intelligence Weekly. By mid-July, output may have risen to 2.3 million b/d, it adds. Averages for April and May were 2.1 million b/d – up from 1.8 million in March. Average output in the first five months of the year was 2 million b/d. About 700,000 b/d is usually held back for domestic use.

● Luxembourg-based ***Cargolux Airlines International*** has leased out two ***Boeing*** 747-100 passenger aircraft for flights from Mashad, Isfahan and Tehran to Jeddah, Saudi Arabia. The service will be used by people making the hajj (Islamic pilgrimage). Cargolux is making available about 30 crew and maintenance workers for two or three months. The company took the 505-seat aircraft on lease from the US' ***Citicorp.***

● The first, $3 million stage of Javad al-Aemeh fishing port in Gavbandi, in Hormozgan province, was completed in late June, the state radio says. The scheme includes a 50-metre-wide, two-kilometre-long canal with two arms extending 175 metres into the sea. There is a concrete jetty for 1,000-ton vessels, two floating jetties for fishing vessels, and one jetty for exports of dried fruits and vegetables.

● Power stations' generating capacity rose by 944 MW, to 12,369 MW, in the year to 20 March, the Energy Ministry says.

● The cabinet has approved a $5 million allocation for the construction of 312 kilometres of main rural roads and 122 kilometres of secondary roads in Kurdesian and West Azarbaijan provinces. At a late-June meeting, it also approved about $60 million for road construction in the Gulf war zone.

● The new Sangan iron ore mine in Khaf, Khorassan province, has sufficient reserves to supply the Isfahan steel mill for the next 200 years, officials say. Discovered by ***National Steel Company***, the mine was made operational without foreign help, the officials add.

● About 80 per cent of infrastructure work is complete on the $1,600 million railway line between Bafq and Bandar Abbas, says Roads & Transport Minister Mohammad Saeedi Kya. The line is being built by local and South Korean contractors.

● The UK's ***Peugeot-Talbot*** plans in August to attend a further round of talks in Tehran about resuming supplies of car kits to the ***Iran Khodrow*** plant. The company has shipped no kits since early 1986, when a barter payment arrangement was suspended (MEED 17.5.86).

● The Construction Crusade Ministry has completed a survey of 3.75 million hectares of pasture land. The study is part of a wide-ranging programme to use low yield soil to dry-farm grains and fodder.

● A $30 million dam and irrigation network southeast of Tehran opened in early July. The network, using water from the Habieh river, will irrigate 22,000 hectares in the Garmsar and Varamin areas. The five-metre-high, 120-metre-wide dam feeds 120 kilometres of concrete canals.

● Iran's gas reserves will last 587 years at 1985 production rates, the Paris-based International Information Centre on Natural Gas (Cedigaz) says.

● A senior Romanian team visited Tehran in mid-July to discuss possible power generation schemes including construction of a dam in Saveh.

● Imam Khomeini has appointed two new members to the seven-member Supreme Defence Council, the Tehran daily Abrar says. They are commander of army ground forces Colonel Seyyed Shirazi and Islamic Revolutionary Guards Corps (IRGC) Minister Mohsen Rafiqdust. The other council members are the president, the prime minister, the defence minister, the chief of the army joint staff, the IRGC commander, and two representatives of Khomeini.

● The majlis in mid-July elected three lawyers proposed by the Supreme Judicial Council to the 12-member Council of Constitutional Guardians. Imam Khomeini recently reappointed three members for a further six years (MEED 4.7.86). The council vets all legislation; six of its members are appointed by Khomeini and the rest through the majlis.

● By-elections are scheduled on 1 August for 10 vacant seats in the majlis. Thirteen candidates, three of them women, will run in Tehran.

● Palestine Liberation Organisation (PLO) representative Salah Zawawi was summoned to the Foreign Affairs Ministry in early July to hear a "stiff" protest about the recent meeting in Baghdad between PLO Chairman Yasser Arafat and Massoud Rajavi, exiled leader of the Mojaheddin-e Khalq guerrilla organisation. Rajavi recently transferred his headquarters to Baghdad from Paris. Arafat had earlier met Rajavi in the French capital; he is referred to in Tehran as "the leader of the deviated and corrupt faction of the PLO."

● Reuter news agency correspondent Hugh Pope was expelled in mid-July for allegedly revealing military secrets in a report on an Iraqi air raid on the Assadabad satellite ground station. Pope went to the site, west of Tehran, three days after the attack. He reported that the raid had completely knocked out the station, which provides Iran's main telecommunications link with the rest of the world. Telephone and telex links were cut off for several days, but are now near normal. The Islamic Guidance Ministry, which handles the foreign press, said Pope had breached its rules by failing to obtain official authorisation for his visit. Reuter protested that the site was not in a restricted zone. Pope had been in Iran since August 1985.

● The government has dissolved the board of directors of the medical disciplinary organisation and put former health minister Hadi Manafi in charge. The move follows a strike by doctors protesting against proposed legislation giving the government a greater say in appointing board members. The strikers have been referred to as "traitors and counter-revolutionaries," some are believed to have been arrested.

● About 80 per cent of drugs brought into the country illegally come through the Sistan-Baluchistan province border with Pakistan, security organisations say.

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PERIODICAL COMMENTS ON NEGOTIATIONS WITH FRANCE

Nicosia MEMO/A MONTHLY REPORT OF ECONOMICS AND COMMERCE in English
26 Jun 86 pp 14-15

[Interview with Eurodif President Jean-Francois Petit by Randa Takieddine]

[Text] The 1974 loan promised by the Shah of Iran to Eurodif, the freeing of the French hostages in Lebanon, the Iranian rebel leader Rajavi's departure from Paris in early June, all are part of the intricate linkages being made in the on-going French-Iranian negotiations. Randa Takieddine reports on the negotiation process and talks to Eurodif President Jean-Francois Petit.

Two weeks after the late May visit of Iranian Vice-Prime Minister Ali Reza Moayeri to Paris, Mujahedeen leader Massud Rajavi decides to leave France "voluntarily". His destination: Baghdad, where he claims he would be "near his country to carry on the battle against the Khomeini regime".

The French media sees in this move the settlement of part of the French ransom for the return of their hostages in Lebanon. The hostages would be released when the process of settling the second part of the ransom — the Iranian debt to France and Eurodif — will be settled.

However, the situation is much more complicated than this, for there is a lobby within the Iranian regime which wants Iran to get out of its isolation and improve its image in the West.

The Iranian success in obtaining Rajavi's departure from France, said a journalist specialising in Iranian internal affairs, will give the moderate lobby in the Iranian regime an argument against hawks who used the presence of Iranian political exiles in France as an argument against opening up to the West.

Rajavi, the journalist added, is by no means a threat to the Iranian regime because his military force in Iran is far from being significant. The Rajavi issue should be viewed as a reflection of internal politics.

A week after Moayeri's visit, Iraqi Foreign Affairs Minister Tariq Aziz paid an official visit to Paris and stressed his satisfaction with the "continuous excellent relations